

**BRUSSELS AND EUROPE LIBERAL DEMOCRATS SUBMISSION
BALANCE OF COMPETENCES REVIEW
FOREIGN POLICY REPORT**

<https://www.gov.uk/government/publications/call-for-evidence-foreign-policy-report>

Questions

(NB: This list is indicative. Please feel free to provide evidence on areas not covered below if you judge appropriate).

1. In what areas of global affairs does the EU add value or deliver impact or not on behalf of the UK?

In a globalising world where we are increasingly inter-connected, and with the rise of non-Western emerging powers not necessarily espousing our values, the UK cannot work alone. With the U.S. President focusing increasingly on the Pacific, it is no longer wise for the UK to rely only on the United States as an ally. NATO still plays an important military role, but it has not evolved to address the other, non-military, forms of power which are ever more important in today's highly competitive world. The English-Speaking Commonwealth is valuable as a projection of the UK's influence but the body is not sufficiently cohesive politically because of historic circumstances and a failure to invest in the mechanisms necessary to make it operationally effective.

The nature of the security environment in which the UK operates today has also radically changed from the Cold War days, although that heritage still conditions our thinking and procedures. There are far more complex challenges and opportunities coming now from the near neighbourhood of Eastern Europe and the Southern Mediterranean as well as, from further afield, asymmetrical threats such as ruthless competition-at-all costs from emerging economies, cyber-warfare and corrupt business practices. Because of the substantial downsizing of the UK armed forces, coupled with the continuing economic crisis facing the UK, it must share responsibilities for its own security as much as possible with others.

Unfortunately, other European countries have reduced their defence and security effectiveness even more than has the UK. Despite still large – albeit shrunk - budgets being available for defence and security, the EU Member States' expenditure is very fragmented across a multitude of small national armies and legacy weapons systems. The CSDP's defence capacity is consequently inadequate compared to the enormous amounts of money being spent on it by national governments. Military forces from individual European countries are inadequately or inappropriately equipped and trained, whilst weapons' systems are unnecessarily and unsustainably duplicated, and frequently obsolete.

Meantime, security threats are evolving all the time, rendering weapons systems which take decades to develop totally inappropriate and a substantial waste of money. As the UK's defence capacity also shrinks in quantity and quality in terms of high tech, some very radical thinking is needed if the UK is to keep its military and security capabilities and capacities relevant and effective, given the changes in the security environment. Past attempts at encouraging burden-sharing in security and defence amongst EU Member States by the creation of synergies and distribution of military tasks on a European scale have not worked. We need to start doing things differently.

The reality is that, in Europe, only the UK and France are capable of projecting their forces abroad in any reasonably significant way. Despite the EU's long-term military training mission getting underway in Mali, recent events have shown that France has needed mainly to rely on US logistics to push forward fighting there. Because of the deficiencies of European armies, there is unfortunately very little Europe can provide currently to fill the gaps appearing in UK's capabilities and capacities.

We need, therefore, a fundamentally different approach to generating power, military and non-military. If the UK can take the lead in such military and security reform, the problematic state of Europe's defence capabilities could put the UK in unique position to lead the whole of Europe towards new, effective ways of spending defence budgets. The UK would reap substantial practical and financial benefits as well as finding a new role in Europe.

To achieve that, the UK needs first of all to take a truly fundamental reassessment how it might do things differently itself. The evolving different forms of power in the world must be identified, what the UK's role can be realistically within current budgetary constraints established, and then we must work to build those capabilities in concrete terms. In this, UK is best placed to lead Europe. France would naturally be its strongest partner. Smaller EU countries would find this highly beneficial. This is what would make CFSP/CSDP really work, and would make Europe a really worthy partner for the US. It would also help rejuvenate NATO and reduce EU-NATO tensions.

For all these reasons, the UK's national interest is undoubtedly best served by continuing to work with its closest neighbours in the European Union, of which it has now been a member of the past 40 years. The rationale for engaging more in EU/CFSP/CSDP is so that the UK can use its considerable experience in these matters to help the EU become more effective, whilst ensuring the UK's national interests are served in this respect, as both France and Germany already do in many EU policy areas.

That does not mean that the UK should dismantle the complex web of its other relationships that sustain the prosperity and security of any nation state, but that it should maintain the EU as the centre-piece of its relationships. After all, the EU is a club of close friends who have all passed the (extensive) test of ensuring we all share the same values and support of the free market. Other EU members use the EU to pursue/fulfill their national agendas and this is increasingly how EU-wide policies are evolving with the help of EU institutions.

In all this, it should be remembered that the UK needs to be perceived to have a far more cooperative and positive attitude towards Europe than at present if it is to have the credibility to lead in this field and many others with European partners.

We have concentrated here on the benefits of closer cooperation in security and defence. Naturally the EU is also heavily involved or leading in many external policy areas of deep interest and benefit to the UK. Whether it is enlargement, climate change, trade, development policy or humanitarian assistance to name the most prominent, the UK has traditionally supported - even strongly encouraged - and benefitted from the EU's added value. Many of these areas are the subject of other papers in the UK Government's Balance of Competences Review which will therefore be covered in detail elsewhere.

2. What are the comparative advantages/disadvantages of working through the EU in the area you wish to comment on, rather than the UK working independently?

It is undoubtedly true that the UK's diplomatic service is first class with an enormous wealth of experience gleaned from a long history of global engagement. Other Member States can gain a lot from learning about the UK's diplomatic experiences. In turn, the UK can pro-actively use that process to encourage other countries to adapt to the current foreign policy and security realities of the world. For strengthening Europe's CFSP can also help strengthen the UK's security. This is an area where the UK can lead as well.

The establishment of the European External Action Service (EEAS) two years' ago is good example of value-added at work today. Its network of 140 delegations and offices around the world makes it the sixth largest diplomatic service. In times of austerity, sending diplomats abroad is expensive and synergies are more useful than ever. The presence of the EEAS on the ground in so many countries will allow eventually Member States to cut costs by sharing premises or even perhaps to have national political and trade desks working at the EU Delegation. This would increase the European national diplomatic footprint on the ground, giving smaller EU countries in particular a much wider reach globally, thereby allowing the EU to share our values and promote our business more easily around the world. In this respect, it might be useful for the UK to reconsider its recent policy of sharing its diplomatic premises with certain Commonwealth countries which might be considered a security risk for the EU and which goes against the principle of EU Member States sharing premises together.

The spread of our values through the promotion of human rights is one of the key objectives of the EU and Member States worldwide. Clearly there are advantages in passing messages and taking actions on human rights and the rule of law at both national and EU levels. The issue is very delicate, especially with emerging economies where our own economies depend on increased trade with them. The EU taking on the task of being especially vociferous can help take some of the heat away from Member States being exposed to retaliation in this respect.

3. How effective is the EU at combining its foreign, defence, economic and civil protection policy instruments to deliver best effect in foreign policy? What, if anything, should it do differently?

The creation of the EEAS has certainly improved the coherence of the EU's policy action after only two short years of its existence. Bringing Member State diplomats into the EEAS is increasing the quality of political analysis available to the EU.

It is naturally of help that the EU High Representative and Vice President of the European Commission is Catherine Ashton is in charge of the EEAS and the senior British official in the EU system. Combining EEAS and the Commission is necessary for the new system to work.

The EU has shown its value in a number of areas. Here are just a few:

1. Enlargement, ensuring the Balkans region remains at peace, thanks now as well to the eventual goal of those countries being prepared to join the Union.
2. Leading the E3+3 negotiations with Iran on its nuclear programme.
3. The EU's operation Atalanta, headquartered in the UK, which is tackling piracy off the Horn of Africa.
4. Crisis management: many examples such as in Somalia, DRC, Haiti.
5. Task Forces, such as those being set up in Egypt and Libya, for a coherent coordinated EU delivery of programmes on the ground.

In countries in transition such as these, maintaining strong political direction and flexibility in executing tasks is very important. Syria will no doubt become an even greater challenge for the EU in the not-to-distance future.

In some third countries, the EU may be seen to be a more credible partner than the UK because of the UK's colonial past and its strong known links to the United States. The UK may wish using its influence within the EU rather than independently of it in these circumstances.

4. How effective are the EU's delivery mechanisms? Would any changes make them more effective, and if so, which ones and why?

The EEAS and European Commission services work together in partnership in the external field. Good coordination between the EEAS and the Commission has made it largely unnecessary at Headquarters for the EEAS to replicate those Commission-led thematic areas (such as climate change and migration) extensively in its own structure.

However those same Commission services need to be present in the field in key relevant countries as well. Given the envisaged overall five per cent reduction in Commission posts over the next few years, this will only be possible adequately by a transfer of posts within the Commission into the field. Policy gaps will also need to be filled after current plans get underway to withdraw Commission staff dealing with development cooperation from EU delegations in emerging economies who were previously assigned on an informal basis to important policy tasks other than development.

The EEAS is also separate institutionally from the European Commission, where most of the operational tools and money remain. As the EEAS has taken on EU Presidency and other tasks without any significant increases in resources, a way needs to be found for the EEAS to access Commission resources more directly to allow better control over the implementation of its policy work on behalf of the EU as a whole. The European Commission's Foreign Policy Instrument, which is directly under the authority of the High Representative, is perhaps a good starting point.

The EU needs to develop its ability to negotiate trade-offs across policy areas, in particular with its increasingly-powerful Strategic Partners, for instance, using trade incentives to seek improvements in human rights or concessions in climate change. This means the EEAS needs to increase its involvement in European Commission policy formulation at an early stage, as it does already on development policy but not in other policy areas, such as trade.

5. Would a different division of EU and Member State competence in a particular area produce more effective policies? If so, how and why?

CFSP and CSDP are in the competence of Member States. As the EEAS evolves, world events may show which aspects of CFSP and CSDP are better done at Community level. The UK Government should be open for more Community competences if experience shows it would lead to more effective action for the benefit of all.

6. How might the national interest be served by action being taken in this field at a different level e.g. regional, national, UN, NATO, OECD, G20 – either in addition or as an alternative to action at EU level?

The European Union has gained enhanced speaking rights at the United Nations. The UK is currently objecting to the EU being allowed to use those rights in other UN forums than the UN General Assembly in New York. As the EU's CFSP is set by unanimity by all EU Member States, the UK can only gain by increasing the EU's role at the UN as the EU will carry its voice as well. Additionally, the UK is still in a position to speak in the same forums and express itself as it desires over and above the unanimity achieved as long as it does not contradict the EU line which it has indeed previously endorsed.

7. Are there any general points you wish to make, which are not captured above?

As the UK in Europe faces the future, the EEAS is clearly part of the solution in guiding us in this new world. The UK Government should take a positive attitude towards the EEAS, using the considerable experience of the Foreign Office to make the EEAS a success in its own right for the good and benefit of all EU Member States.

The EU's 2014-2020 Multi-Annual Financial Framework has just been agreed. Given the EEAS' lack of adequate operational resources, all efforts should be made to avoid the EEAS and its operations being affected in a disproportionately negative way.