

## **Hollis Evidence – Review of Balance of Competences – Foreign Policy Report February 2013**

I am Rosemary Hollis, Professor of Middle East Policy Studies and Director of the Olive Tree Scholarship Programme at City University London. It is in this capacity, that I am submitting my evidence.

Prior to my appointment at City University I was Director of Research at Chatham House (2005-08), Head of the Middle East Programme at Chatham House (1995-2005), and Head of the Middle East Programme at RUSI (1990-95). My PhD (attained at George Washington University, Washington D.C. in 1988) investigated 'Britain's Adaptation to Decline', as played out in the Arab Gulf states, 1965-85. I also hold an MA in War Studies and BA in History from King's College London.

UK and EU policies towards and relations with the Middle East/Mediterranean region have been a central focus of my research and publications for the past twenty years. I attach two of my recent publications of relevance here (Hollis 2011 and Hollis 2012). I also attach a chapter in a collected volume that I wrote (Hollis 2013) which compares and contrasts UK and US dealings with Mubarak's Egypt – which may be useful as a counterpoint to the more EU focused sources.

My submission of evidence relates directly to the Balance of Competences between the UK and EU in the context of the European Neighbourhood Policy in the Mediterranean, with passing reference to EU-Iran policy.

### **EUROPEAN NEIGHBOURHOOD POLICY (ENP) – SOUTHERN REGION**

*The points made below are presented in response to the indicative questions in the FCO's Call for Evidence, with some additions.*

What follows is informed by research undertaken between 2005 and 2012 on the workings of the ENP in the Mediterranean, involving interviews and workshops with relevant European Commission and member state-officials, including British, on the one hand, and nationals of the Mediterranean Partner States on the other.

#### **1. Added Value and Impact Delivery in the Mediterranean (a) pre 'Arab Spring'**

The vision of the ENP was built on the argument that what was good for the EU member states would also be good for neighbouring states not destined for EU membership. The political and economic values that bind the members of the EU, the argument goes, could and should be promoted and encouraged in ('exported to') neighbouring states to mutual benefit.

Specifically in the Mediterranean, the ENP was formulated to improve on the Euro-Mediterranean Partnership (EMP) of 1995, by introducing the concept of 'differentiation' between the Partner countries, in recognition that these varied in terms of needs, priorities and capacities. The ENP Instrument (ENPI) was thus intended to capitalise on any existing reform initiatives in the Partner states and introduce Action Plans for reform developed in agreement with the governments of the Partner states.

**UK foreign policy goals for the Arab Partner states were and remain in accordance with those of the EU and thence the ENP.** As stated in the EU's ENP 'brochure':

The ENP works by partnership and joint ownership of the reform process, based on agreed reform priorities, responding to the countries' needs and efforts. Through jointly agreed partnerships for reform – ENP Action Plans – short and medium-term reform priorities are identified across a wide range of subjects including:

- Political dialogue and reform
- Economic and social cooperation and development
- Trade related issues, market and regulatory reform
- Cooperation on Justice, Liberty and Security
- Sectoral issues such as transport, energy, information society, environment, research and development
- The human dimension notably people-to-people contacts, civil society, education, public health.

According to senior European Commission (EC) officials (interviewed in 2005-06) the UK contributed to the formulation of the ENP in 2003-04, including identifying items for inclusion in the Action Plans negotiated by the EC with individual Partner states. In broad terms, therefore, not only were UK objectives and aspirations in harmony with those of the EU, but also the realisation of UK goals could only benefit from the success of the ENP. However, by 2010 the ENP had not succeeded in meeting its own objectives, on which more below.

In terms of implementation of the ENP, there was/is a separation between the activities of the various EU-member state embassies in the Arab Partner states, including the British, and the missions of the EU. Coordination between the missions on the ground is not institutionalised or automatic. Interviews with UK diplomats serving in Egypt and Jordan (2006) and others (2011) revealed scepticism on their part that the ENP could achieve its goals for political and human rights reform. By contrast, UK diplomats saw considerable gains to be made through economic reform and development in the Arab Partner states and thence welcomed the disbursement of EU development aid to the Arab economies under the ENP. It was acknowledged that the UK alone could not match the capacity of the EU and diplomats embraced the goal of economic development as key to progress on any other front, including political reform.

As it transpired, in the years preceding the Arab uprisings of 2010-11, the ENP failed to deliver on its objectives for significant reform, *whether economic or political* (see Hollis 2012 attached). However, by acting alone and despite the EU the UK could not have been more successful in promoting trade or democracy than was the EU – except, potentially, through pushing within the EU for a reformulation of the ENP. If the UK did so, this was not apparent as a policy priority. Rather, the British missions concentrated on bilateral trade promotion, some unilateral projects to work with civil society groups where feasible, and bilateral intelligence sharing.

Among EU officials serving in Jordan, Egypt and Lebanon (interviewed in 2006-10) there was considerable awareness of the problems built into the ENP which they felt were not well understood in Brussels in particular and Europe generally. While the Commission was responsible for negotiating the Action Plans, the EU missions in Arab capitals were responsible for managing day-to-day relations and implementation of the Action Plans. Those on the ground reported that the promise embodied in the ENP that implementation of the Action Plans would bring rewards, through greater harmonisation of standards in the Partner countries with those inside the EU internal market, and thence a greater volume of trade, was non-deliverable.

A key concern about the ENPI reported by both EU officials serving in Arab capitals and their Arab hosts relates to the body of law – the *acquis communautaire* – upon which the Action Plans are based. Whereas a potential candidate member state of the EU can be obliged to adopt the whole *acquis* as a condition of eventual membership, non-candidate states, such as the Arab states around the Mediterranean, have no similar incentive to digest or incorporate into their laws any or all of the *acquis*, except for the vague, long term promise that by adopting EU standards their chances of exporting more locally-produced goods to the EU internal market will increase.

In the case of Jordan, for example, the Jordanian bureaucracies lack the capacity to master the complexities of the relevant components of the *acquis communautaire*, to adopt them as part of a national plan. The rewards of doing so would in any case take years to realise and would disrupt pre-existing public-private relations in the interim. In the case of Egypt, meanwhile, the EU bureaucrats found themselves unable to identify which standards operating inside the EU the Egyptians should adopt, since those not held in common across the Union are embraced by ‘common recognition’. In any case, as reported by Egyptian officials engaged in negotiating their first Action Plan with the Commission (interviewed in 2006) they resisted EU efforts to export European values and standards in the name of making Europe’s neighbours ‘more like the Europeans’.

Where the Arab Partner governments proved more cooperative with the EU was on intelligence sharing, security cooperation and migration control, all of which objectives are built into the Action Plans. Arab governments discerned and embraced such undertakings as a quid pro quo for side-lining or dropping the elements intended to promote democracy and human rights. For the UK as other EU members, importance was and still is accorded to security cooperation, migration controls (outside EU borders) and intelligence sharing, whether on a bilateral or multilateral basis (see illustration of UK-Egypt relations in Hollis 2013 attached). Thus, in so far as the ENP enshrines such measures in its mechanisms for aid and development arrangements, it is in keeping with UK interests.

The aspiration of EC officials charged with monitoring implementation of the Action Plans was to build in ‘conditionality’ such that funds allocated for stimulating economic growth would not be forthcoming unless and until a Partner state achieved progress on political reform, separation of powers (rule of law) and human rights, as well as economic restructuring. According to the EC officials interviewed, it was the EU member states who pressed for a dilution of this in-built conditionality, to placate Arab governments averse to taking EU instructions on political and human rights

issues. The latter did, however, accept EU requirements for security cooperation, intelligence sharing and migration controls, in a tacit bargain to prioritise such considerations over human rights reform.

Overall, the UK accepted this trade-off in preference to pushing the human rights and political agenda and thus worked in harmony with other EU member states rather than defending those aspects of the ENP intended to prioritise reform.

### **Added Value and Impact Delivery in the Mediterranean (b) post ‘Arab Spring’**

The Arab uprisings, rather than signalling the success of EU (and member state) democracy promotion efforts, actually attested to the failure of EU endeavours to promote economic reform and reduce unemployment (see Hollis 2012). In 2011, in response to the Arab uprisings, the EU reconfigured the ENP. In particular, the ‘conditionality’ that the Action Plans were supposed to embody has been replaced by the concept of ‘more for more’. This is intended to ensure that newly elected governments are not held to account for all their actions in a way that the previous dictatorships were not, while they are still trying to find their feet. In addition, in place of ‘democracy promotion’ the new terminology is to build ‘deep democracy’ through a programme directed at civil society.

The UK already had in place a combined FCO-DFID initiative called the Arab Partnership, the goals of which are commensurate with those of the EU’s ‘deep democracy’ programme. In response to the Arab uprisings the Arab Partnership has been expanded and enhanced, with funding allocated to civil society initiatives and partnerships between UK and Arab NGOs. As with previous UK endeavours in the Arab states, the UK cannot match the levels of funding available to the EU for disbursement. However, the thrust of UK efforts are in harmony with those of the EU and can only benefit from the success of the latter.

More to the point, neither the UK nor the EU civil society initiatives can have much traction without simultaneous economic growth and job creation and in this the EU has considerably more clout. As of 2010 the advent of the European External Action Service (EEAS) and appointment of the High Representative for Foreign Policy (Catherine Ashton) has effectively supplanted the role of the rotating presidency in leading on EU policy. Ashton was instrumental in gaining funding for the Arab ‘transition’ states via the EIB and the EBRD, which the UK can applaud. Where the main problem now lies, however, is in respect to EU delivery on its objectives. Delivery is compromised by the EU’s multi-layered institutional arrangements -- on this issue see next section.

The points made above make the case that since UK objectives have been broadly in keeping with those of the EU, the latter adds value and weight to UK efforts. As also stated, the UK was sceptical about the EU’s capacity to deliver on political reform, but did not identify a way to do so more effectively. It had its own initiatives for reform and was prescient in formulating the Arab Partnership in so far as this is in tune with the EU’s reconfigured ENP. However, it is not clear that either the UK’s or the EU’s new focus on civil society and ‘deep democracy’ can deliver in the absence of economic growth. And on this the UK looks to the EU to provide the most

significant funding and trading opportunities. Meanwhile, the UK has pursued its own and collective EU agreements with Arab governments on intelligence sharing, security cooperation and migration control, all of which can be identified as in keeping with UK interests, but which have and could still undermine democracy and human rights promotion.

## **2., 3.& 4. Comparative advantages/disadvantages of working through EU; Combined instruments; and Effectiveness of EU delivery mechanisms**

The foregoing evidence indicates a trade-off between achieving UK security interests and democracy promotion, whether the UK works through the EU or not. This was apparent in the findings of the UK Parliament's Foreign Affairs Select Committee Report on British Foreign Policy and the Arab Spring, September 2012 (Cm 8436). In the ENP the EU aims to achieve combined foreign, security and economic goals, but the fact that the ENP has failed to meet its objectives suggests that these goals are not easily combined. To make the Arab neighbouring states 'more like us' and exporting 'our values' to bring this about would seem, thus far, either over-ambitious, or unrealistic.

Should the EU act differently? Presumably not, since migration control and combatting terrorism through intelligence sharing and security cooperation with neighbours are objectives shared by all EU member states and therefore a major policy imperative for the Commission and the EEAS. The FCO's overarching priorities are: (i) Safeguarding Britain's national security by countering terrorism and weapons proliferation and working to reduce conflict; (ii) Building prosperity by increasing exports and investment, opening markets and ensuring access to resources and promoting sustainable growth; and (iii) Supporting British nationals around the world through modern and efficient consular services. While the goal of turning the Arab Partner states into prosperous democracies fits within this broad set of objectives in the long term, reaching that objective will not always sit easily with protecting British interests in the near term and in this respect the UK has more interests in common with other EU members than it does with the Arab democracy movements. In recognition of this the FCO has said that democratisation of the Arab world is a long term aspiration.

The issue, therefore, is not whether the UK can do more alone than with the EU, but whether more can be done by the UK to make the EU more effective. On this score the UK is not alone among EU members in resisting pooling resources with or through the EEAS. Speaking with one voice is recognized as important to maximize EU leverage with other countries and international organizations, but the member states, the UK included, show no inclination to forego their bilateral relations with the US or on the UNSC, for example, for a joint EU presence. There will thus be limits to what the EEAS can achieve in terms of representing all the members.

Yet that is not the only weakness of the EEAS. Its diplomats complain of lack of unity between them and other bodies and officials in Brussels. The High Representative has to travel constantly, but has no deputy to represent her at meetings in Brussels, where the key debates over policy take place. In the Mediterranean context the

EEAS appears to be fighting to establish pride of place and authority, or playing catch-up, not only in the face of unilateral or ad hoc initiatives by EU members, such as the UK and France in the Libyan crisis and latterly the Mali interventions, but also actions by other bodies in Brussels, such as that responsible for disbursing aid to alleviate poverty, which resists the political direction to which the EEAS must respond.

How could such complications, tensions and overlaps be remedied? The answer is probably not much with respect to the larger member states maintaining their separate missions and bilateral relations. They, including the UK, will no doubt remain averse to losing their freedom of action or foregoing opportunities to make their mark in specific instances as they arise. However, more could be done to streamline the EU machine and clarify the remit of the EEAS in relation to the Presidencies of the Council and Commission and relations between all of them and the parliament. In forging new arrangements the UK could play a role.

Meanwhile, with respect to all the goals and instruments of the ENP, the UK cannot rival the weight of the EU in terms of economic aid, trade relations and thence rewards for compliance. Where the UK can make a difference is in maintaining a strong presence and influence in the process of EU policy formulation and implementation. Concerning trade with the Arab Partner states, for example, the UK could counter the tendency of southern EU-member states to impose restrictions on the imports of agricultural products from North Africa which constitute competition for their own producers. In other words the UK could (continue to) combine forces with other member states lobbying inside the EU for closer adherence to the principles of free trade and competition that are supposed to be enshrined in the ENP in the name of shared prosperity.

## **5. & 6. Reconfiguring Division of Competences and Potential for Action at other levels**

A seminal example of EEAS and thence EU effectiveness in foreign policy is in relations with Iran. The formula of the E3+3, with the High Representative coordinating negotiations with Iran, has denied Iran the possibility of playing off one EU member against another or the US. As far back as the 1990s the EU member states showed solidarity in the face of Iranian manoeuvres. A case in point was the so-called Mykinos affair, of 1997, when a German court sentenced four men found guilty of murdering Iranian Kurdish dissidents in a shooting at the Mykinos restaurant in Berlin that took place in 1992. The Iranians objected when the German court implicated senior members of the Iranian regime. In solidarity with Germany all EU member states withdrew their ambassadors from Tehran and only returned, as a group, after the resolution of the crisis (following a change of leadership in Tehran).

Subsequently the UK, France and Germany formed the E3 that represented the EU in negotiations with Iran over the nuclear issue, and from this evolved the E3+3 (US, Russia and China). The lead was accorded to the E3 by the other EU member states because between them the three combined key attributes. Britain and France can lead at the UN as Permanent Members of the Security Council and also as Europe's only nuclear weapons' states. Germany has the advantage of having a civilian

nuclear programme but eschewing a weapons' capability; plus it had the strongest trade links with Iran prior to the imposition of sanctions.

Once the issue of Iran's nuclear programme was referred to the UN and the European position on the issue converged with that of the US, the EU imposed sanctions on Iran in a unified manner that dramatically increased the pressure brought to bear hitherto by the US alone. Meanwhile, the E3, with the High Representative in the forefront, have partnered the US, in coordination with the Russians and Chinese, to maximize their strength in negotiations with Iran.

The E3+3 thus exemplifies a hybrid arrangement, not mandated by EU treaty, that has arisen in response to a particular contingency and has proved valuable to the pursuit of UK interests. The message here is that when EU solidarity can be combined with a leadership role on the part of member states with attributes suited to the needs of a situation, the combined effect can be compelling for the pursuit of an agreed policy to which the UK adheres.

Another instructive example relates to the NATO intervention in Libya. In that instance the EU devised a plan for intervention that would have required a mandate from the UN; would have been run by the EU rather than NATO; would have focused on supporting humanitarian agencies; and required 3-4,000 troops on the ground. Not only was the offer unappealing, the EU member states did not want it, and nor did the UN or the Libyans. In the event the US played a crucial role in bringing the issue to the UN and NATO delivered. The roles played by the UK and France were instrumental but not decisive. The lesson here was that the EU may not and cannot be the answer in all contingencies. So a flexible approach to the needs of a situation is the imperative.

On which note, returning to the subject of the ENP and its prospects, it seems clear that as a formula for EU relations with the Southern Neighbourhood this instrument required a rethink. A start was made in 2011 with the shift toward 'more for more' and civil society engagement in the name of 'deep democracy'. However, given the shortcomings of the ENP, there is little enthusiasm for it in the Southern Neighbourhood, where Europe is wanted for its money and its visas more than its 'values'. The only Partner country to really benefit from the ENP has been Israel, a country with the capacity to harmonize with the internal market and one with complementarity to offer in terms of its high tech industry. Yet among the Israeli public there is deep suspicion of the Europeans on historical grounds and the Israeli media pays more attention to developments in EU member states than it does to the machinations in the corridors of the Commission in Brussels. On this and the role of the EU in the quest for a 'two-state solution' to the Israeli-Palestinian conflict see Hollis 2011 (attached).

The conclusion for Britain, in this context, must therefore be that expectations for what the EU can achieve in terms of exporting its values should be modest. What it can achieve in terms of development aid and assistance is more substantial. And in this respect, the UK is at one with the EU in wanting economic growth and job creation, while also controlling immigration and combating terrorism. On these counts the balance of competences is such that without the EU the UK cannot be the

answer by itself, however creative and well received its policies. Working with and through the EU, however, the UK can make a difference.