

## It's Shared Leadership and Coopetition, Stupid – Steering the EU through Troubled Waters

By Anne Lauenroth

The expectations towards the new EU external leadership trio Juncker-Mogherini-Tusk are high. This is not only because of the multiple crises the EU is confronted with in its broader neighbourhood. Also, with each new EU leadership team there is new hope that the EU can finally overcome its expectations-capability gap and that EU external action will become more united, consistent and effective. But these expectations are based on false assumptions. Rather, a realistic assessment should take into account the experiences of the previous first Lisbon-treaty based trio Ashton-Barroso-van Rompuy that set some useful precedents in dealing with the structural deficiencies of the existing EU external action machinery. Even more, confronted with a different external and internal environment than their predecessors a more appropriate way to assess the performance of the Juncker-Mogherini-Tusk trio at the end of its term would be to ask in how far they have constructively strengthened and contributed to the practices of *shared leadership* and *coopetition between EU member states*.

### **Existing features of EU external action leadership: between practical cooperation, structural deficiencies and politics**

When Juncker, Mogherini and Tusk started their EU leadership functions some days or weeks ago they did not need to start from scratch. The experiences of the first Lisbon-treaty based trio Ashton-Barroso-van Rompuy have set a precedent. They can provide useful lessons for the new trio in how to deal with two characteristic features of EU external action that in times prevented EU external action from being more united, consistent and effective: its legal fragmentation and that EU Member States hold the (co-)decision power and important resources in their hands.

#### *Dealing with legal fragmentation*

In practice most of the difficulties of the legal fragmentation of EU external action between the more supranational external economic relations and the more intergovernmental Common Foreign and Security Policy (CFSP) were shown to be pragmatically overcome when there is the will to cooperate. But there are also structural deficiencies most apparent in the position of the High Representative and Vice-President of the Commission (HR/VP) that until today hamper the intention to bridge the legal gap and enable the HR/VP to take forward joint policy initiatives that combine all the tools the EU has at its disposal. Thus, on the one hand van Rompuy and Barroso, as presidents of the European Council and the European Commission, have closely coordinated as regards their respective external representation functions for the EU to the outside world such as in G20. Ashton also pragmatically combined the different legal basis when launching EU sanctions, a tool that according to its nature falls within the scope of either community law or CFSP.

On the other hand, the establishment of the EU's diplomatic service, the European External Action Service (EEAS) led to a turf war between the institutions ending in a questionable separation of

policy formulation and instruments. Especially the co-operation between the Commission and the EEAS proved to be very difficult. Only on rare occasions Ashton actually was able to put forward joint Commission/CFSP initiatives such as on Sahel. But also with the Member States Ashton had disputes, e.g. whether the instrument of EU Special Representatives should maintain an intergovernmental tool or be integrated into the EEAS. This illustrates the hybrid position the HR/VP is in, being both accountable to EU Member States and the European Parliament (EP) and neither under the political leadership of the EU President nor fully the Commission President. In her external representation function Ashton furthermore suffered from the lack of a permanent substitute. That meant making impossible decisions which meeting – be it of the Middle East Quartet, EU defence ministers or the group of external relations Commissioners – to attend and which to miss. Being substituted either by a Commission official or the rotating presidency, depending on the policy area, thwarts continuity and the possibility to build sustainable personal ties to counterparts from third countries.

#### *Dealing with Member States' power*

The sine qua non for EU leadership and a more united, consistent and efficient EU external action is however the will and capacity of Member States to co-operate. Apart from personal statements, the EU leadership trio can thus only act towards the outside world if there has been a decision or co-decision by the Member States in the Council in the form of a common position or clear mandate. In military matters EU external action is furthermore dependent on the cooperation between the UK and France since they have the relevant resources and can negotiate credible compromises between NATO and EU. Still, EU actors, especially the HR/VP and the EU President can use their functions as chairs of the European Council (EC) and Foreign Affairs Council (FAC), respectively, to moderate and negotiate timely compromises between the Member States where possible. In practice, Ashton could thus bring forward negotiations on behalf of (a part) of Member States with Iran and between Serbia and Kosovo. Van Rompuy was instrumental in contributing to forming a compromise in the European Council to decree a cascade of sanctions against Russia and Russian actors.

But when Member States disagree or feel the need to act rapidly outside the EU (or NATO) framework EU actors have consequently not much room for manoeuvre. The most they can do is to minimise the cacophony in the longer run. That became apparent in the case of Libya when the UK and France together with the US decided to act alone. Only later the EU tried to build a common approach, e.g. when preparing for EUFOR Libya. But also in the general reaction to the Arab upheavals EU Member States did not wait for the EU to form a common position or message so some Member States went alone. Also here, only later Ashton and her team tried to form a common approach by building country-specific task forces and a new framework for the EU's approach towards the Mediterranean. The economic crisis as well as the Ukraine crisis furthermore strengthened the role of the European Council with the heads of state and government as the central decision-making body also in EU external action. That development brought domestic politics to the forefront of EU external action policy-making.

#### **First new signs and the challenge to deal with a changed external and internal EU environment**

The first announcements and actions of Juncker, Mogherini and Tusk give indications about continuity and potential change to EU external action leadership. But the new trio will also have to deal with a different external and internal environment than its predecessors.

#### *Continuity and new features*

Juncker, Mogherini and Tusk have stated their will to continue the established practice to coordinate and practically work together. The new leadership trio seems to furthermore have a good feeling for the need to facilitate Member State common positions and compromises, all having been national politicians for years. Mogherini e.g. spoke of the EU as a funnel in which all Member State initiatives such as the recent British-German one on Bosnia would merge into a kind of stream. Her announcement to visit all EU Member States – something van Rompuy did as well – signals the will to focus even more on good Member State cooperation. Still, the structural deficiencies embodied in the position of HR/VP Mogherini persist. Thus, no solution to the lack of

permanent substitute is found yet and also the heavy coordination work within the Commission, with the Member States and the EP will be a continuous challenge for Mogherini. Also the disagreement of EU Member States and a lack of political will to cooperate will maintain features of EU external action.

What could be new is the level of cooperation between the Commission and the EEAS. Juncker's restructuring of the Commission as a whole, the clear mandate and backing for Mogherini to lead the project group 'Europe in the world' as well as Mogherini's decision to move her office to the Berlaymont building of the Commission will most likely improve the ties between the latter and the EEAS. It might also help to develop 'network' thinking in silo-defensive environments and policy areas driven by different and sometimes conflicting organised interests – a task national actors are struggling with as well. Also, the fact that Mogherini does no longer need to put energy into building the EEAS could give her more time to focus on other soft leadership tools she has, such as using her right of initiative in the FAC and the EC in a smarter and more efficient way. Finally, the visibility of EU external action is likely to improve. Juncker and Mogherini already stressed the need to communicate more and differently about EU policy and action. Also Tusk's statements indicate his will to play a more visible role than van Rompuy did. The fact that Mogherini has backing of Juncker, Renzi and her Italian governing party as well as a more friendly Italian press to deal with constitute a much more promising environment as the one Ashton had to operate in.

#### *Reacting and adapting to a new external and internal environment*

Juncker, Mogherini and Tusk are thus confronted with a different external and internal environment than their predecessors. While the Arab upheavals and the crisis in the Ukraine heavily tested EU external action already under the Ashton-Barroso-van Rompuy trio the latter had to deal predominantly with the urgencies of the economic and financial crisis. Ashton furthermore needed to put most of her energy in the establishment of the EEAS. In contrast, the Juncker-Mogherini-Tusk trio rather has to deal with the economic and political consequences of the financial and sovereign debt crisis as well as a more strategic EU external action discussion and adaptation process. This it will do in addition to following up on existing EU external action – such as on Ukraine or against the threat posed by the Islamic State – and reacting to new external events.

Internally, EU external action is characterised by budget constraints, fragmentation tendencies between creditor and debtor as well as eurozone and non-eurozone countries as well as the exploitation of the difficult economic situation by populist forces that constrain the domestic room for manoeuvre for governments, especially in the UK and France. Furthermore, until autumn 2017 in the six biggest EU Member States there will be elections, including a potential one in Italy. Externally, the events in the EU's broader neighbourhood have revealed a policy-environment misfit recognised by the mandate of the December 2013 European Council to "assesses the impact of changes in the global environment" and identify "challenges and opportunities arising for the Union" as well as the launched review process of the EU's neighbourhood policy.

#### **Realistic benchmarks for the new trio: shared leadership and cooperation**

Now what to make of the above mentioned? Taking into account the old and new challenges the EU is confronted with the concepts and practice of shared leadership and cooperation might prove to be useful when the new EU leadership trio further develops its roles.

#### *Shared leadership*

The leading role of Germany in forming an EU response to the Ukraine crisis and vis-à-vis Russia as well as the decision of Mogherini to let Ashton continue negotiating, now advising in the Iran talks on behalf of the E3/EU are examples of shared leadership. They illustrate the importance of material and immaterial resources that shape the ability to execute leadership, be it economic clout or personal contacts and reputation as trusted negotiator or a mix of them. Shared leadership thus occurs when group members actively and intentionally shift the role of leader to one another as needed by the environment or circumstances in which the group operates. But shared leadership is also demanding. It requests of leading actors such as Germany or the US and those who have influence on them to make continuous efforts including others, giving others the lead and committing to non-hegemonic and power balancing procedures. Such efforts are characteristic for

the EU system being the most elaborated form of transnational governance in an interconnected and multi-polar world. Yet they have come under pressure as a result of the economic crisis and the often zero-sum power politics of international affairs so that actors are now tempted to go alone.

### *Coopetition*

The area of EU external action which affects very strategic and sensitive areas of state functions is a case in point for coopetition, a mix of cooperation and competition between Member States. On the one hand, Member States *cooperate*, be it in bilateral, plurilateral or multilateral formats such as between France and Germany, the Weimar triangle, informal networks, the EU, NATO, the UN or the OSCE. But they also *compete* with each other, e.g. in the areas of disarmament, arms control export, defence industry cooperation, intelligence and commercial diplomacy. The equilibrium between cooperation and competition adopted by each state fluctuates in time and adjusts to the internal and external conditions. The variance in behaviours of Member States – ranging from more cooperative to more competitive – depends on their bargaining power. Economically stronger Member States are more likely to concentrate on their national priorities and pursue their own policies, while those more reliant on foreign industries and services will rather align their actions to the policy set on the supranational level. Moreover, as (market) conditions change with time, some countries prefer to ensure enough leeway to be able to easily switch from EU to national policy and vice versa, making the relations between the EU Member States very dynamic. In an ideal way coopetition seeks cooperation to ‘enlarge the cake’ for those cooperating while there is fair competition for the ‘distribution of the cake’. But reality is rather different: a paradox, observable both in the EU as well as globally. While interdependencies and effective policies in an interconnected and multi-polar world require cooperation and joint action (especially bigger and powerful) states tend to take unilateral, protectionist decisions and are tempted to go alone. One explanation is the famous prisoner’s dilemma. Though it proves cooperative behaviour to be beneficial to all it shows that actors need either trust or some kind of rules that minimise the uncertainty about what others do. When trust is shaken or rules are ignored actors are tempted to go alone or implement protectionist measures again. The politics of cooperation in the EU and globally are stories of ups and downs with incidents of mistrust and ‘might makes right’.

### **Conclusions and recommendations**

While driving factors that can make EU external action more united, consistent and effective were rather missing in recent years it was the behaviour of the Russian president of all things that might actually have given EU external action another boost. For European leaders it illustrated the importance of the EU as a security community that needs to stick together. Also the first statements and actions of Juncker, Mogherini and Tusk indicate their will and commitment to keep Europe together and pragmatically contribute to solving the manifold problems Europe is faced with. The negotiations over the compatibility of the EU-Ukraine Association agreement’s trade chapter and the Eurasian Economic Union are a case in point.

Confronted with a different external and internal environment than its predecessors, the new trio should however constructively strengthen and contribute to the practices of *shared leadership* and *coopetition between EU Member States* by:

- Improving the soft leadership possibilities of Mogherini by further encouraging Member States to find a compromise between the German and French models on a permanent substitute. A solution could be to install two permanent deputies, one following the German model of Staatssekretär, the other following the French model of Secrétaire Général.
- Improving the soft leadership possibilities and capacities especially for Mogherini, her team in the EEAS (delegations) and the Commission as well as their Member State counterparts to conduct and exchange analysis. It should comprise of *first*, a geopolitical or game theoretical assessment of all relevant actors and their existing and planned activities with regard to a certain country, region or threat, *second* a debate on European (state and non-state actors’) influence, interests and goals and *third* a proposal for a joint practically, problem-solving oriented concept that could provide a common framework for coordinated action. The demanded ‘strategy’ – that should better be called ‘concept’ - on Syria, Iraq and

IS as well as the report on the EU's strategic environment provide an occasion to do so. Still, it should acknowledge that strategies are adaptive processes and constant learning and testing in a quickly changing world.

- Improving the soft leadership possibilities of the trio to communicate why a certain policy is necessary or why certain burdens need to be born. This will make EU external action more legitimate among European citizens who are confronted with insecurity and complexity but who are also willing to engage. For the EU external leadership trio this will mean investing much for than their predecessors into influencing public debate by elaborating different media strategies that elegantly translate their sometimes ambiguous messages to various audiences in EU Member States and third countries.
- Strengthening the promotion and facilitation of existing bilateral, plurilateral or multilateral internal and external security cooperation such as Lancaster House and NORDEFECO or between EU and national agencies. This can be done also via confidence-building measures such as joint trainings and emergency simulations (e.g. in cyber capacity), the development of platforms and infrastructure such as Ariane 6, EUROSUR or MARSUR, the border surveillance system managed by Frontex and the maritime surveillance networking system managed by EDA, respectively as well as by executing stress tests or providing money and agency support for joint research.
- Encouraging and facilitating bilateral cooperation, exchange and rule-development especially between France and Germany. Why not taking up a recent idea of a group of Franco-German diplomats to better coordinate between the national mechanisms of export guarantees (COFACE, Hermes) and connect them through a European agency? Or using the concrete cooperation of France and Germany to monitor borders via drones under the OSCE mandate for the nucleus of a European drone program as proposed e.g. by three European companies with the MALE 2020 project? Or the EU buying arms such as the French Mistral-ships supposed to go to Russia for transnational tasks in maritime security or humanitarian aid deployments? In return, EU states would need to reduce their defence industries.

In a multi-actor, multi-level and multi-policy reality facilitating different forms of cooperation and concrete joint experiences among Member States that (re-)build trust while leaving space and facilitating competition for the best models of diplomacy, development cooperation, mediation or disaster response seems to be the appropriate way in coping with the manifold challenges ahead.



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