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The EU and the Shifts of Power in the International Order: Challenges and Responses

Sebastian Santander*

This article revisits the debate about the place of Europe on the international stage. Faced with the growing power of emerging countries, what place can the European Union (EU) hope to occupy? In other words, is the world in the process of developing outside Europe, or is Europe positioning itself as one of the principal centres of the international order? In attempting to answer this vast and complex question, the article will examine three points. The first will look at the distribution of global power through the rise of emerging powers. Second, it will examine Europe in the light of changes affecting the international order. There are opposing interpretations. The vision of a Europe in decline is contrasted with arguments that present the Union of twenty-eight Member States as one of the leading poles of the new emerging international order. The exaggerated nature of these visions persuaded us to favour a third way—that of a European player with relative influence, but ‘under construction’.

1 INTRODUCTION

Among the many trends affecting today’s international relations, over the last few years one in particular that has attracted the attention of diplomats, financiers, the media, and academics—and that is the growing power of certain States, mainly from the South, who are considered to be globalization ‘winners’. The expression ‘emerging countries’ has become a part of contemporary language used to describe them. However, though now popular in the media, the idea of emergence is notable for a certain vagueness regarding its somewhat undefined content. In the absence of a clear definition of the concept, emergence refers to a specific reality—the spread of global power and thus a progressive questioning of the monopoly of power—held over the past two centuries by the Western world.

This article revisits the debate about the place of Europe on the international stage. Faced with the growing power of emerging countries, what place can the EU hope to occupy? In other words, is the world in the process of developing outside Europe, or is Europe positioning itself as one of the principal centres of the


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international order? In attempting to answer this vast and complex question, the article will examine three points. The first will look at the distribution of global power through the rise of emerging powers. Second, it will examine Europe in the light of changes affecting the international order. There are opposing interpretations. The vision of a Europe in decline is contrasted with arguments that present the Union of twenty-eight Member States as one of the leading poles of the new, emerging international order. The exaggerated nature of these visions persuaded us to favour a third way – that of a European player with relative influence, but ‘under construction’.

2 TOWARDS A GRADUAL SHIFT IN WORLD POWER?

New spaces for action have opened up with the disappearance of the bipolar order, giving greater political perspectives on the international scene to a whole series of players outside the United States/Western Europe/Japan triad. Henceforward, the American economy and that of the other members of the triad – who represented the lifeblood of trade, production, financial transactions, and global scientific innovation until the start of the 1990s – must pay increasing attention to the growing competition from countries engaged in the reconstruction or rehabilitation of their positions of power. The rise of China, the progressive return of Russia as a political power with global ambitions, and the involvement to varying degrees of India, Brazil, Turkey, and South Africa in international affairs would seem to indicate a transformation in the state of the world and the international balance of power.¹

It goes without saying that there is a disparity between these countries. The economic and politico-military poles that are (re)emerging worldwide vary, and show no similarity. But most of these countries have experienced accelerating development during the post bipolar era, achieving sustained rates of growth ranging from 5% to about 10%. These are the players who assert themselves as leaders in key sectors of global trade (energy, agriculture, services, manufactured goods, and/or textiles), whilst diversifying their economies. They have become more attractive to foreign investors, thanks to the economic performances that they have achieved, their important natural resources and their more or less active participation in global trade. Their development appears to have accelerated over the last decade, to the point of transforming them from simple recipients of capital

to major exporters, and their trade with both their respective neighbours as well as
distant countries of the developing and/or industrialized world now amounts to
billions of Euros. This evolution is notably explained by their ability to impose
some of their national ‘champions’. The number of multinational companies from
emerging countries is continually increasing. They are increasingly involved in
mergers and acquisitions, becoming formidable groups that represent major
competition for the multinationals of the Western world.2

This rapid development has helped to consolidate the emerging countries’
ambitions for power, and strengthens their desire to seek a more equal share of
global power. For although national development contributes to building their
power status, the emerging countries are conscious of the essential role of
diplomacy on the global stage. They therefore engage in multi-directional
diplomacy in order to diversify their political, economic, and trade relations as
much as possible. They develop links with countries in both the North and South,
investing in regional and/or multilateral bodies. In so doing, they succeed in
retaining more or less institutionalized regional zones of influence: China in
South-East Asia; Brazil in South America; the Republic of South Africa (RSA) in
Southern Africa; and India in Southern Asia. These countries are looking to
establish a North/South type of relationship with their respective neighbours,
exchanging their high added-value, manufactured products for low added-value,
agricultural products. They progressively develop and influence their own
geopolitical space. By positioning themselves as key players in their region,
emerging countries gain greater visibility and recognition as regional powers.

This policy is completed by the creation of numerous, virtually institutional
links with players outside their region, such as the BRICS,3 the G20+4 and the
India, Brazil, South Africa Dialogue Forum (IBSA5). These global bodies bring
together countries that, beyond the differences separate them, share the idea that
the international political and economic structure in no way reflects the real
distribution of international power at the start of the twenty-first century, but
strengthens their international visibility and recognition by their peers and the
Western powers. These regional fora are also areas where they can assert
themselves, competing with the traditional powers and thereby encouraging the
gradual emergence of new international balances of power. For instance, some of
the triad’s countries—who have met annually at the G8 since 1970 – have for a

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3 Political Forum composed of Brazil, Russia, India, China and South Africa.
4 A group of countries acting together within the WTO talks and opposed to the rich countries’ policy
of agricultural subsidies.
5 It is involved in multilateral forums to promote business interests and permanent membership of the
UN Security Council of its member countries.
long time assumed the exclusive right to define economic paths and international policy, and even to outline solutions to global financial, economic and political problems. Henceforward, the G8 countries must recognize the growing political, economic and trade role being played on the international stage by a series of players from outside the US-Japanese-European framework.

The intensive diplomatic activity of the emerging powers – together with their increasing international recognition, the confirmation of their economic influence acquired over recent years and the context of the global crisis – have helped to establish the legitimacy of an alternative group to the G8, that of the G20. Although created in 1999, the G20, which brings together wealthy Northern countries and the emerging economies, is emerging as the new club of global powers, notably for defining the rules of international finance. The emerging powers have also succeeded in destabilizing the status quo of the balance of power within certain multilateral institutions, as is seen by the changes in the negotiation process at the WTO. These negotiations were for a long time determined by the ‘Quadrilateral Group’ (Canada, EU, Japan, and US). However, the creation of the IBSA Forum, and its rapprochement with China, led to the creation in 2003 of the G20+ on the eve of the Cancun Ministerial Conference. This organization, which is against any protectionist policies and subsidies in the field of agriculture, particularly by the US and the EU, was able to influence the negotiation process within the WTO. The pressure applied by the G20+ allowed the new powers to effect the replacement of Quadrilateral Group by the G5 group, which brings together players from both North and South (Australia, US, EU, India, and Brazil).

By achieving membership of these informal organizations, the emerging countries have positioned themselves next to the Northern countries and defined at the highest political level the challenges for global politics. As a result, they anticipate the agenda for multilateral institutions and the gradual shift of global power. They are aware that, in practice, multilateralism allows power relations to be accepted and legitimized. This is the goal of their various foreign policies: to establish or strengthen a position within the power spaces maintained within the multilateral institutions. South Africa, Brazil, and India develop South/South cooperation and/or associate themselves with Germany or Japan to claim a permanent seat on the UN Security Council. They manage to increase voting power within the organization’s decision-making bodies such as the IMF or demand to participate in high politics, as shown by the dramatic entrance of Brazil and Turkey onto the international stage when discussing Iranian nuclear activities. Sitting as non-permanent members of the UN Security Council, these two

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countries have benefitted from their position to propose a negotiated agreement with Tehran in the UN, on the eve of the adoption of new sanctions against Iran in May 2010. Their proposal was for a part of Iranian uranium to be stocked overseas, in exchange for enriched fuel aimed specifically at civilian use. These countries thus claimed a place in the negotiations led by the so-called 5+1 group, which has a UN mandate to discuss the Iranian nuclear question. The message sent by this Turkish-Brazilian initiative was that the conduct of international affairs, including those related to security, can no longer take place without a stronger representation of the emerging powers. The same message could be seen in the Sino-Russian opposition, and the abstention by Brazil, India, and South Africa, to the resolution to condemn repression in Syria, proposed in the UN Security Council in October 2011 by the Western powers.

3 THE EU-28 IN THE NEW EMERGING WORLD ORDER

3.1 THE EU AS ONE OF THE MAJOR POWER ON THE INTERNATIONAL STAGE

Faced with this scenario of a new and emerging international order featuring numerous new centres of power, some believe that the EU and its Member States have their rightful place, especially as they have enormous resources, which serve as a sort of counter-balance to the influence of the emerging powers in the global economy and global trade. The EU-28 has a single currency that has achieved global standing in only ten or so years. The Euro is outpaced only by the dollar for commercial transactions and the composition of foreign exchange reserves held by the world’s central banks. The EU has considerable influence in international exchanges. With over fifty years’ experience of economic integration, it has succeeded in becoming one of the world’s major trading powers. The EU accounts for 20% of the total volume of global imports and exports – compared to 15% for the US, 9.9% for China, 7% for Japan, 2% for Russia, 1.65% for India and 1.25% for Brazil – making it the biggest exporting and importing organization in the international economic system, in the fields of both goods and services. As the leading global trader in goods and services, the EU represents the main trade

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7 M. Aguirre, Brazil-Turkey and Iran: a new global balance, Open Democracy, (2 Jun. 2010).
8 China, US, UK, France, Russia + Germany.
opportunity for over 130 countries in the world.\textsuperscript{12} Numerous European companies are among the world’s leaders. They are leaders in a range of activities with high added-value (energy, finance, banking, insurance, cars, electronics, chemicals, pharmaceuticals, mass distribution), ensuring that the European economy is powerful and diversified.\textsuperscript{13} Furthermore, the EU has a Gross Domestic Product (GDP) of EUR 13,000 billion and represents 24\% of global wealth, compared to 21\% for the US, 9.5\% for China, 9\% for Japan, 3\% for Brazil, and about 2.5\% for India and Russia; this makes it a prominent economic entity on the international economic stage, leaving aside the fact that with its Member States it provides 55\% of all global aid and 55\% of humanitarian aid.\textsuperscript{14}

This observation leads some to see the EU as a player at the heart of the changes in global balances and as one of the pillars of the restructuring of the international stage into a multipolar order.\textsuperscript{15} In this view of the world, the EU-28 appears, alongside the US and China, as one of the top three geopolitical powers of the twenty-first century, overtaking countries like Russia, whose strength is declining demographically and industrially and whose economy depends excessively on its energy resources; or India, a country seen as being considerably behind in its development and strategic ambitions when compared to China. The world is today organizing itself progressively around the US, China, and the EU. Each of these players sets its own rules that it aims to impose on others. In a globalized world, these three powers will compete with one another to acquire new markets and none will hesitate to occupy the other’s backyard.

According to those who believe in this approach, Europe has a major advantage in this competitive environment, i.e., its model for regional governance, which is becoming an ethical, social, and environmental reference for the whole world.\textsuperscript{16} Its ‘post-nation-State regionalism’\textsuperscript{17} should bring peace and stability as well as a social market economy capable of creating a serious alternative to both American capitalism and a command economy. It is also becoming a reference for other regionally integrated blocks, like Mercosur, Asean, and the African Union.

To ensure its place in the world, Europe can also rely on the important diplomatic experience of its Member States and the EU, and its considerable

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\textsuperscript{13} Grésillon, supra n. 9.
\textsuperscript{14} European Commission, supra n. 10; MDEIE, supra n. 11.
\textsuperscript{17} P. Khanna, Europe: the Next Twenty Years, communication presented at the Conference on 20 years after Treaty, (Maastricht University, 8 Feb. 2012).
\end{flushright}
defence resources; in terms of global military power, it stands just behind the US. European investment in defence represents more than 20% of global defence expenditure, compared to 5% for China, 3% for Russia, 2% for India and 1.5% for Brazil. There are equal numbers of US and European troops stationed outside Europe. This leads some observers to claim that Europe, with its multidimensional power, has clearly become, alongside the US, the ‘second super-power’ in a bipolar world.

3.2 Towards the end of the European history

This scenario of a ‘European super-power’ that is able to influence international governance is far from being unanimously accepted. A significant share of scientific literature proposes a portrait of the EU-28 that is diametrically opposed to this. Indeed, some believe that it is being progressively outclassed by the emerging powers: they say it is not Europe but the latter who are driving global growth upwards and are positioning themselves as both contributors to the convalescence of the capitalist system and as the West’s creditors. For some then, after the dominance Europe exercised over the world for several centuries, Europe’s position is weakening due to its demographic, economic, and military decline. This situation creates a feeling of self-confidence in the emerging countries, which may sometimes appear to be excessive and even unwise, given that some of these countries see themselves as industrialized and see Europe as representing the past, to be preserved in a history museum. They accordingly see themselves as embodying the future of the world.

A multitude of pessimistic diagnoses and prognoses coming from the political and academic worlds or the media about the construction of Europe and its future development have resulted in the development of and support for theories that ‘Europe is in decline’. These information sources, rooted in Europe’s difficulties...
over the past few years, notably highlight Europe’s institutional setbacks following
the rejection of the Constitutional Treaty in 2005, confusion over the free
movement of people and the resurgence of a desire to re-establish some border
controls in the Schengen area, the rise of national retrenchment, worries about
European solidarity, the sovereign debt crisis in the Eurozone and economic
governance of the EU, together with the parallel development of emerging
countries. Taken together, these trends all play a role in the downgrading or global marginalization of Europe. Some people even believe that the idea of Europe falling apart is no longer beyond the realms of possibility, believing that the (increasingly likely) end of the single currency will sound the death knell of the EU. That is why those who hold this viewpoint imagine that the world may well be built in places other than Europe.

This assumption about the end of the European history has already been defended by experts in international relations, but in a different political context, dating from the international geopolitical upheavals resulting from the fall of the Soviet bloc and the disappearance of the bipolar world. The theorists inspired by realism interpreted the end of the Cold War as the trigger for a period of international instability, which would first affect the European Community. In their view, the end of the Soviet threat meant that European integration was losing of one of the key vectors for its cohesion throughout the Cold War. They also saw in the breakdown of the USSR the start of the US’ indifference towards the protection of Europe and the Atlantic Alliance. They therefore predicted the end of European construction.

Yet the reality of Europe after the Cold War is completely different. The EU has expanded four times, adding sixteen new Member States. Meanwhile others waited their turn, demonstrating the attraction of the Union on its neighbours. It also saw an extension and an unprecedented deepening of its architecture, particularly following the adoption of new, common institutions and strategies. Moreover, it developed and consolidated its role and its presence in international relations. From this, historians maintain that it is possible to draw two lessons when

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Chaouad, supra n. 20, at 127-137.
looking back on Europe’s construction. First, the economic, political crisis and the crisis of confidence faced by the EU today are not new. Similar crises have occurred several times in the past, such as after the failure of the European Defence Community (1954), the episode of the ‘empty chair’ (1965–1966), the period of so-called Eurosclerosis (1973–1985), and the difficult ratification of the Maastricht Treaty (1992). Second, after the crises in the construction of Europe, there were periods of revival.\(^27\) This was reflected in Jean Monnet’s remark that ‘Europe will be forged in crises and will be the sum of the solutions adopted for those crises.’\(^28\)

The unprecedented revival of European regionalism is a sharp rebuttal of the realists’ forecasts, leading the proponents of this approach to study closely the process of European integration and examine in particular the true ability of the EU to become an autonomous player on the international stage. The conclusions of these studies are generally irrefutable, confirming the EU’s inability to speak with one voice and to act effectively and together, notably in times of crisis. To support this position, the conclusions refer to the Community’s failure to act during the armed conflicts in ex-Yugoslavia, the inability of Europe to influence the Israeli–Palestinian peace process and the divisions in Europe resulting from the US war of occupation of Iraq launched in 2003.\(^29\) These studies begin with the idea that strategic challenges are fundamental in international relations and that only nation States are able to have any influence on the world’s politico-strategic affairs.

4 THE EU: AN INTERNATIONAL PLAYER STILL IN THE MAKING

It may be an exaggeration to say that the EU is an entity incapable of wielding any influence, but it still cannot be called a superpower. The EU certainly has a series of specific advantages related to power (economy, trade, technology, demography, culture, currency) and a range of policies that cover the most important aspects of modern international politics, including the military and strategic aspects.\(^30\) These benefits undoubtedly allow it to play a global role and exert some influence.

\(^{28}\) J. Monnet, Mémoires, 488 (Fayard, Paris, 1976).
\(^{30}\) Ch. Bretherton & J. Vogler, The European Union as a Global Actor, 273 (Routledge, 2006); F. Petiteville, La politique internationale de l’Union européenne, 272 (Sciences Po Press, 2006).
However, a multipolar world implies the existence of several similar yet competing poles be they economic, political or military with comparable characteristics. Given this theoretical construction, the EU can only be seen as a power ‘in the making’, especially as its actions are unevenly implemented in the various fields of global politics. Thus, despite the progress made since the end of the Cold War, the EU’s activities in the areas of defence and security are limited. The EU can undertake missions for humanitarian aid, evacuations and peace-making, or peace-keeping operations outside Europe, but it is still far from being a sovereign body in the political and strategic fields. It is subject to the wishes of its Member States, lacks centralized decision-making and depends on NATO for its security. So numbers alone do not make the EU a de facto player on the global stage. Thus the quantitative elements associated with defence, as proposed by those who favour the ‘Europe-superpower’ theory, will remain hypothetical until the EU gets its own foreign policy based on a ‘grand strategy’ – i.e., a common vision of geopolitical challenges and until it can exploit and mobilize its resources effectively. This weakness diminishes the EU’s visibility and external recognition, particularly in the eyes of those with whom it seeks to develop closer relations through ‘strategic partnerships’, which are not making much progress. The sum total of the EU-28’s material capacities is therefore seen by emerging countries more as a statistical abstraction than a geopolitical reality. Consequently, emerging countries prefer to establish bilateral relations with certain ‘heavyweight’ European States (Germany, France, United Kingdom). This is to the detriment of the EU itself, whose political legitimacy is weak compared to its Member States. Unlike these countries, the EU cannot rely on a strong, consensual national identity.

This situation raises a fundamental question – that of the recognition of the EU as an international player. The Union has many of the material criteria associated with power, but lacks the key attributes to be a true player. The EU and its Member States are aware of this weakness and aimed to solve it in part through the adoption of the Lisbon Treaty. This Treaty sought to increase and consolidate the EU’s visibility and international role, allowing it to speak more often with a single voice on the major issues of global politics. The Treaty has thus given the Union a permanent President and a High Representative for Foreign

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33 The criteria for the player are coherence (the ability to define objectives, strategies for achieving them and the means to implement them), autonomy (compared to other players) and authority (international recognition); M. Merle, Sociologie des relations internationales, 560 (Dalloz, 1988).
Affairs and Security Policy. The latter is seconded by the European External Action Service (EEAS), which is a kind of embryonic ministry for foreign affairs whose objective is to improve the impact, the coherence and the effectiveness of the Union’s external activities. However, decisions continue to be taken unanimously and these institutional European players have no say in national foreign policies. This was clearly seen during the 2010–2011 events in Libya, when the rest of the world saw a divided Europe, incapable of speaking with a single voice on a question of international security, even if, afterwards, the EU and its Member States sought to work together by adopting a range of actions, including significant humanitarian assistance valued at EUR 156.5 million, of which EUR 80.5 million came from the Union’s budget.

The above highlights how the European player tends to call on civil means to increase its international influence. It plays a role through emergency aid, food aid, and support for local non-governmental organizations in developing countries or through the preferential access system to the European market. The EU’s international activity is also exercised through the networks that it creates with other regional countries and groups, as well as through its external trade policy, one of its exclusive competences. In reality, the EU’s trade policy is one of the principal channels for projecting itself on the global stage. It also has a range of trade policy means, among them bilateralism, interregionalism, and multilateralism, and sometimes even unilateralism when imposing trade sanctions on a third country. It’s the EU’s influence on international trade, and its ability to speak and act as a single entity when in discussion with third parties or in a multilateral framework, justify its recognition as a global trading power.

The many trade agreements that the EU concludes may take different forms, based on the development of trade liberalization and the number of non-trading aspects that may be involved. The most ambitious of these are certainly the association agreements, which incorporate the notions of a free trade area, economic and technical cooperation, EU financial aid, political dialogue and, in some cases, the possibility for the associated country to become a member of the EU. This instrument therefore permits the Union to prepare for future new members. The enlargement policy has been shown to be an important tool in terms of the EU’s international influence, especially as the Union exercises a

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35 The increase in aid was accompanied by an arms embargo on Libya, a restriction on the freedom of movement of Gaddafi regime dignitaries and the freezing of their financial assets; O. Jacquemet, Quelle réponse européenne à la crise libyenne?, Isis Europe Blog, 24 Aug. 2011; EEAS, Le soutien de l’UE à la Libye, European External Action Service, (27 Oct. 2011).
36 The generalized system of preferences (GSP) is gradually being abandoned by the EU in its exchanges with developing countries, on the grounds that the EU must conform to WTO rules.
genuine power of attraction externally; the EU exports its rules and standards, it asserts its political and economic choices, and succeeds in playing a stabilizing role for its direct neighbours. It is true then that the EU has means to projecting its influence, a means that the US, China, India, or Japan cannot call upon. Yet it should be noted that the Union risks being the victim of its success, which will inevitably affect the development of its power. For example, the latest enlargements have shown that the EU has reached the limits of its ability to absorb or offer institutional integration. Nevertheless, other access processes are being prepared, which will likely lead to the EU facing one of its biggest challenges: the definition of its borders. Europe’s continual enlargement heightens the risk of turning Europe into an increasingly loose area, thus affecting the project to create a European power.

The EU is well aware of the attraction exerted by its internal market on the rest of the world, so it makes use of this market when talking to the world. The Union therefore negotiates access to its market, in exchange for the protection of intellectual property, access to public procurement, the liberalization of investment and services, legal certainty for European companies, and the acceptance of industrial and trading standards. The EU succeeds in imposing its ambitious agenda through multiple agreements, which it concludes with countries in Latin America, Asia, and the ACP (Africa, Caribbean and Pacific Group of States). The EU plays a leading role in the development of global competition and its regulation, with the help of the Commission: this encourages the promotion of the liberal economic policies that govern the European internal market. This role also aims to legitimize the need to integrate all the world’s countries into a single global market. In following this course, the EU has supported China’s accession to the WTO, which was finally achieved in line with Western economic and trading rules.

The EU is therefore capable of influencing its environment and partially shaping it according to its vision of the world. To achieve this, it also uses development aid. However, the Union must now take into account the arrival of the emerging powers in the international system for development funding. This new system allows developing countries to reduce their dependence on their traditional donors such as the EU. Moreover, the emerging powers now enjoy even greater advantages from donors, compared to the traditional donors, since this
aid is not accompanied by political conditions. This new situation poses a major challenge for the EU, which uses development aid not only to ensure its economic presence in the developing world, but also to build its international identity by asserting its political preferences in relation to the respect for democracy, human rights, the fight against corruption, and the promotion of supranational regionalism.

The emerging powers are also shaking up the multilateral forces, as viewed by the EU. The EU's proactive engagement in the WTO and its encouragement of multilateral negotiations on climate change both demonstrate its strategic interest in multilateralism. The Union's institutions identify with multilateralism, because they see it as a collection of peaceful mechanisms for the management and control of international affairs as well as a safeguard against unilateralism's temptations. They therefore use multilateralism to generate a certain amount of international influence. However, the Union must increasingly take into account the presence and influential role of emerging powers, particularly in multilateral discussions on trade and the environment. Anxious to move from being *rule takers* to *rule makers*, these players take a seat in the multilateral organizations, participating actively in international talks and ensuring that their respective positions are now heard and taken into consideration in international agreements and treaties.

In the international negotiations on climate change, there is now a shift in the balance of power between the EU and the emerging powers; this shift is more in favour of the latter. Even though it's the EU's priority is to maintain its economic competitiveness, it has sought for some years to play a leading role in the preparation and follow-up of these international debates, as well as in defining the profile of multilateral commitments to fight global warming. Its work has resulted in ensuring that the main producers of greenhouse gases (China and the US) sit around the negotiating table, together with the emerging powers. Yet European leadership on climate is being increasingly challenged by China, Brazil, India, and South Africa, because these countries, now joined by the US, oppose European proposals to adopt restrictive measures for the reduction of greenhouse gases. As the emerging powers consolidate and come together (e.g., IBSA) for trade talks, the EU finds itself under greater pressure to abandon its subsidies for the production and export of agricultural products. The Union is now aware that it can no longer dictate negotiation terms (especially when it negotiates alongside the US), and that it must make concessions on agriculture if it wishes to reach agreements in the fields of industry and services. After applying pressure, the IBSA also obtained access to generic medicines, even though the EU and the US, together with their pharmaceutical industries, had initially opposed this. Nonetheless, the interaction between the emerging powers and the Union
negotiators does have a benefit, leading to increasing recognition of the EU as an international player.

In addition, the EU and its Member States are important contributors to the various budgets of the multilateral institutions.\(^{40}\) While this should theoretically lead to greater international visibility for the EU, its work in multilateral organizations is still limited. In some of these institutions (e.g., the WTO), the EU plays a central role and is considered a key player. Yet it plays a limited role elsewhere because some institutions, such as the IMF, only recognize nation States. In the meantime, the emerging countries are benefitting by building up currency reserves, thus increasing their economic strength and gaining further influence in these organizations. This means they can increase their voting rights. For example, a country like China — whose voting share has risen from 3.65% to 6.19% — has been able to obtain a greater decision-making power than Germany, France, and the UK. India and Brazil have seen their voting rights increase from 1.9% to 2.6% and from 1.4% to 2.2% respectively. The emerging countries are in fact seeking to exploit the European crisis. In exchange for injecting fresh capital from the IMF into the European economies, they are demanding a new reform of this multilateral institution, thereby leading to further increases in their respective voting rights. They are also calling for their political role to be adjusted to reflect their economic importance. But despite their desire to have greater influence in international organizations and their wish to see these organizations more accurately reflect the distribution of global power, the emerging countries have not succeeded (yet) in breaking the tradition whereby the IMF is run by someone from Europe and the World Bank is run by someone from the US. Moreover, the emerging countries seem incapable of nominating a mutually acceptable candidate.

EU representation in the UN is under discussion. In May 2011, the Union won observer status there, allowing its representatives to address the General Assembly, distribute papers addressed to other members, present proposals and amendments agreed by the EU Member States and to exercise the right of reply.\(^{41}\) The EU is the only regional organization that has enhanced representation at the UN. In so doing, the EU acquired greater visibility, which may help to increase its international recognition; however, this is a long-term process. Recognition of this kind could even be somewhat hampered, due to the fact that the Union has no voting rights and cannot present candidates for UN positions; nor can it be a contributor to resolutions or decisions.

\(^{40}\) For example, the WTO gets 42% of its budget from the EU and its Member States, the UN 40%, the UNDP 44%, and the UN Peacebuilding Fund (PBF) 80%.

During its efforts to obtain observer status at the UN, the EU gained the support of various emerging powers, such as Mexico and Brazil, with whom it was linked through the ‘strategic partnerships’ concluded in 2008 and 2007 respectively. It is difficult to establish a cause-and-effect relationship between these strategic partnerships and the success of the European application. However, since the second half of the 2000’s, the EU has engaged in a policy to conclude this type of partnership with emerging powers. These partnerships should bring economic advantages for European multinationals, contribute to the EU’s international recognition and show that it can also adapt to changing international circumstances and react to a world marked by the birth of new powers.

Nevertheless, these partnerships often include too broad objectives, and do not define clearly why they are strategic. This new pattern of ‘strategic partnerships’ is in competition with the EU’s traditional, interregional strategy. The EU has always sought to encourage regionalism in the world. It has promoted joint strategies and institutions as well as the creation of supranational frameworks, before finalizing interregional association agreements. With its financial, technical, and institutional support, the EU has been able to play an external, federating role for international regionalism, with the result that centripetal forces are strengthened.42 Besides seeking economic and trade benefits, the EU hopes to obtain political advantages. It wants to export its model for regional governance and consolidate its visibility and legitimacy as an international player. However, the selective bilateralism that it employs in its relations with the emerging powers that belong to regional groups appears to be at odds with its traditional strategy of exporting its own regional model. The bilateral approach is also in the process of creating breaks and rivalry within these regional groups that the EU has always supported. This raises questions about the coherence of the EU’s external actions.

5 CONCLUSIONS

The rise of emerging countries contributes to a gradual shift in global economic and political power. However, although the EU’s power is still in the making, that of the emerging countries remains relative. In other words, we should not magnify their power, because they face major internal challenges, which reflect their weaknesses. Some of them must deal with huge demographic and social problems; others are hampered by a significant lack of infrastructure; a number of them are engaged in deindustrialization and their economic development is increasingly tied to their oil resources. Furthermore, they have chosen to be a part of globalization,

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a trend that drives the world’s nations and their economies to open themselves up more and which creates growing interdependency among nations. Globalization reduces the efficiency of national economic policies. Thanks to financial deregulation over the past forty years, the world’s financial community can continuously evaluate and predict decisions taken by the public authorities. As a result, this community has become a powerful and anonymous counter-balance. Furthermore, countries find it harder and harder to control the financial system, because liberalization, together with the development of new technologies, has given rise to hundreds of thousands of individual investors. These financial developments can result in increased instability, marked by recurring stock market and currency crises, as seen in the current European crisis. Those emerging powers increasingly reliant on having a presence in the global market for their own national development are not protected from the potential setbacks of globalization. A growing dependency on the outside world inevitably hinders the power of any State or supranational player. The emerging countries see their power as being limited by globalization and trans-national forces. Their growth and development are increasingly linked to the rest of the world. They depend on the good health of the Dollar and Euro, on the stability of the European and the American markets and on raw materials from Africa, Latin America, and the Middle East. The emerging powers have little control over Europe’s crisis or economic difficulties in the US. This example simply reflects the limits and vulnerability of a public authority’s power – whether or not it is based in an emerging country – in the face of globalization.

The global crisis has certainly affected the EU’s international influence and image. Some pundits in Europe and the emerging countries have been talking again about the end of European history. In the early 1990s, some believed that the end of the bipolar system would bring an end to the European integration project. Yet the opposite happened, with European regionalism being revived, enlarged, and consolidated. Additionally, the EU still has a few power trump cards (economy, trade, technology, culture, currency) and a range of policies that cover the most important aspects of modern international politics, including the military and strategic aspects. These advantages allow it to play a global role and exert some international influence. Although it may be an exaggeration to talk about European history coming to an end, several major questions remain open when discussing the EU: Does it have the capacity to envision its future? Does it have a political project? Does it have a ‘grand strategy’ with which to play a proactive role in a rapidly changing world? All these questions, which have yet to be answered, raise further questions related to European identity and the borders of Europe.

Finally, what conclusions can be drawn already about the EU’s future relations with the emerging countries and in particular about the so-called strategic
partnerships negotiated by the Union with these new international actors? This article has shown that those relations face major challenges. For instance, strategic partnerships’ agendas are far too broad and too ambitious. This situation may reflect a deeper problem: the inability of the parties to find a solid common ground. Yet the actors are divided on several issues (trade, climate issues, and solutions to the global crisis). Bilateral relations between the EU and emerging countries have yet to take off. The question then is whether these partnerships are really strategic? Additionally, these relations are challenged by the contradictions inherent in the strategies of the different actors, not least those of the EU. On the one hand, the EU is developing strategic partnerships with emerging countries. But on the other hand, its Member States (France, UK, Italy, Portugal, Spain, and Sweden) are also developing individual strategic partnerships with India, Brazil, China, Russia, and South Africa. This somewhat confusing European approach inevitably affects the EU’s image in the emerging countries. Moreover, EU authorities say they are not always kept informed of individual strategic partnerships concluded by the Member States with emerging countries. This lack of communication within Europe harms the credibility of the EU as an international actor.

Last but not least, EU’s external strategy faces an increasing lack of coherence. For more than twenty years, the EU has supported regional blocs and prioritized group-to-group relations. Interregionalism has helped the EU to boost its international visibility and recognition. Today, the EU is developing selective bilateralism with emerging countries, which are members of these regional blocs. In some cases then, the push for bilateralism has destabilized regionalism and hence the image of the EU. The thorny question now facing the EU is how to ensure that its interregional strategy and its strategy towards rising powers are complementary rather than competitive.
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