REVIEW OF THE BALANCE OF COMPETENCES BETWEEN THE UNITED KINGDOM AND THE EUROPEAN UNION

Submission to the Foreign Policy Report

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CAPACITY

The views expressed below are personal and based on 20 years of experience working on and in the EU as a British academic researcher on European politics, a policy-maker in a Commission cabinet, and now the director of the EU policy arm of an independent, private foundation which promotes the values of the open society globally. The Open Society Foundations engage actively with the EU and provide financial support to nongovernmental organisations to promote values at EU level because of the Union's role as a norm-setter, human rights defender and promoter of liberal democracy worldwide. My colleague Jacqueline Hale, a senior policy analyst at OSF, has submitted her own personal views separately, focusing in particular on her experience of the EU's neighbourhood policy.

PRELIMINARY REMARKS ON DEFINING UK INTERESTS - SCOPE AND AMBITION Q7: ARE THERE GENERAL POINTS YOU WISH TO MAKE?

Three observations that are not covered by the questions provided:

1. There is a widespread perception among other member-states and the EU institutions that the UK is increasingly taking a transactional approach to many policies at EU level, considering the costs and benefits of engagement on each issue rather than seeking to contribute to a common institutional and policy infrastructure that would enable the whole EU to play a greater role in the world. I hope that the Balance of Competences Review will not take such an approach to EU foreign policy, because this is an area where the whole is greater than the sum of the parts. A purely transactional approach would look at individual foreign policy questions one by one, which would leave out the benefits of the EU developing joined-up external policies that allow it to address cross-cutting international issues such as climate change, migration, energy security and conflict management. In a globalised world, foreign policy is about the connections and interactions between

¹ The Open Society European Policy Institute, based in Brussels, is the EU policy arm of the Open Society Foundations, a private foundation that works in over 70 countries to promote vibrant democracies and tolerant societies whose governments are accountable to their citizens.

geo-political and geo-economic issues, and it is about many external challenges that traditional diplomacy alone cannot address because they require multiple forms of engagement. Among regional organisations and international bodies, the EU is uniquely powerful in having many forms of engagement to achieve common goals for its members, from trade and aid to regulatory power. Indeed, other regional organisations from ASEAN to the Andean Pact have modelled themselves on aspects of European integration. The EU doesn't always achieve its goals, and the search for unanimity is often long and sometimes fruitless, but it is rare that the UK would have greater influence on such issues if it acted alone.

- 2. More specifically, foreign economic policy depends on the development of relationships with other countries and regions that are much more attractive when a trading partner can offer a large market. It is difficult to imagine that India, Japan or South Korea would have been interested in negotiating a trade agreement with the UK's population of 70 million, whereas the EU market of more than half a billion people and a single market was very attractive. Similarly, the US would not have bothered to initiate talks on a Transatlantic Trade and Investment Partnership with the UK, as it has done with the whole EU.
- 3. A purely transactional approach to foreign policy also has limits in terms of projecting soft power. Through its enlargement and neighbourhood policies, as well as other aspects of external relations, the EU has had a significant influence on the region surrounding it. It has shaped its milieu to a certain extent, which makes a significant difference to the kind and size of foreign policy problems that it now faces. The UK would not have been able to shape Eastern Europe or the southern Mediterranean following changes of regime over the past 25 years to anything like the same extent as the EU has done.

Q6: 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?

There is no question that EU foreign policy could and should function better. However, each of the other international organisations cited in the question is dysfunctional in its own way, and their spheres of action are more limited than those of the EU. To have greater influence in any of these organisations would not require the UK to disengage from the EU, and British influence in setting agendas in these other forums is often directly connected to its influence in the EU.