

Defence and Diplomacy: What Next for Europe?



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I will be brief because not only is the panel much more distinguished than I am, but so are many members of the audience. I think I can count, without too much difficulty, three or even four representatives to the European Union or the European economic community in the audience, and indeed, it reminded me of when a letter from all the permanent representatives was sent to the *Financial Times* in favour of the Lisbon treaty, I was not only struck that they would write a letter to the *Financial Times* and not to us, because we at *The Economist* are against the Lisbon treaty, but also by the remarkable fact that all of the British permanent representatives to the European institutions are still not just alive thirty six years after we joined but active and taking great interest in Europe. That is a tribute to the air in Brussels which I myself have sampled more than once.

I will make two brief comments, first two things about the European Union. I think there is some truth in the argument that, despite the fact that it started, as Jean-Dominique Giuliani reminded us with a great desire for peace in the world, its first fifty years were very much debated to looking inwards rather than outwards: arguing about the budget, arguing about the agricultural policy, arguing about institutions. I think it is fair to say that the big challenges for the next fifty years are quite likely to be outwards, external rather than internal, so I think the European Union is going to have to change.

The second thing which has already been said is that of course there is truth in the claim that in its place in the world, the European Union is something of an economic giant but a political pygmy. On the economic front we have already heard it is a big economic player and, as JDG reminded us, the biggest aid donor. It goes even beyond that, in the field of competition and regulation and in the field of financial regulation, the European institutions are extremely significant in the world. They can often set the agenda. But on the political front you don't see anything like the same weight from the European Union. I think that is a grave defect as the challenges facing it move more in the external direction.

On the common foreign and security policy and on defence I still think it is true that you hear much more about the theory of what we do - and we heard JDG talking about the 12 external operations about the European Union, but very few people know about them and they tend to be rather small. I think as Brian was saying, it tends to be more talking the talk than walking the walk when it comes to combined operations and the need of a common foreign policy. One of the problems is that whenever it comes to a difficult crisis - the most recent example being the financial crisis which we have not really talked about - the member states tend to want to assert their own interests not necessarily always at the expense of Europe but certainly ahead of Europe.

I thought it was very striking when the G20 which is a body that I, as a practised journalist, had not heard of until last summer, suddenly emerged as the setting in which to discuss what to do about the world financial crisis, it turned out on inspection that like so many of these bodies it already had too many Europeans in it as does the IMF and indeed the G8 but the first thing that happened inside Europe when this body emerged as something that mattered was more European countries stepped forward and said they must be there as well, and we had the rather undignified sight of the Spanish and the Dutch insisting on their prime ministers also turning up to the G20.

I think very much bringing home some of the points we heard already how the Chinese, the Indians, the Brazilians and others regard Europe because they tend

to say, ' look at these bodies, Europe doesn't speak with one voice and anyway there are far too many Europeans in the room' and it does not matter even when it is a pro-European country like the Netherlands or Spain they still want to represent their national interest in these bodies.

On defence, I think it is absolutely clear as JDG said the key players remain France and Britain and nothing will happen on a common defence policy unless France and Britain push it together. I think here to some extent, the British have been at fault in recent months and I think they should be more enthusiastic about the idea of a European defence policy.

But there are still huge defects in European defence when it comes to European policy, the most significant of which JDG has identified: that European countries simply do not spend enough on defence and until that is put right a credible European defence position is not going to be there.

And I would like to finish my comments with two other thoughts on the future of defence and diplomacy in Europe. One is this vexed question of institutions. I have admitted in my opening comment that *The Economist* is against the Lisbon treaty, well not against the Lisbon treaty because we disagree with its institutional changes, indeed on the external front I have persuaded even the most hardened sceptics in my magazine that actually the changes proposed in the Lisbon treaty would be a plus not a minus. But I do think that sometimes people put too much emphasis on the need for institutional change in order to create a successful common foreign and security policy.

There is this idea that you sometimes get that the only thing standing in the way of a common foreign and security policy that works is somehow we need another treaty. I don't think that is right. I think that the problems that obstruct a common foreign and security policy and a successful European defence will not be solved if you rename the high representative of the European Union, the most high representative of the European Union, or the lord high representative of the European Union or even in one draft of this document the European Foreign

Minister You need the member states of the European Union to come together and feel there is a strong advantage in them making a common foreign policy and a common defence policy. You won't get there through institutions alone.

And the last thing is to echo a point that Brian made about enlargement. Of course being British I tend to favour enlargement, but I think in this particular arena enlargement is especially important.

I believe that if the European Union ceases to take in new members and there is a serious risk that may happen, its credibility as a foreign defence policy player in the world will be greatly damaged. I think that is a message that it would be well to have understood in Paris and in particular it applies to Turkey. If the European Union is seen as turning its back to Turkey which has the biggest NATO army after the United States, the chances of it playing a serious role in both foreign and defence policy I think will be reduced near to zero. Thus I see further enlargement for the European Union as critical. Thank you very much.