



EU Strategic Priorities for a ‘New Multilateralism’: a follow-up to the European Commission-EEAS Communication

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Summary

- All major contemporary challenges, be they environmental, digital, public health or demographic, are cross-national and transnational in nature, necessitating multilateral, cross-border solutions.
- The EU envisages a world system collaborating more closely and tightly to combat global challenges old and new, like the Covid-19 pandemic and global recession.
- We follow up on the recent European Commission and EEAS Communication by proposing three key strategic priorities for the EU’s international engagement in the years to come.
- The EU should make it a priority to improve the performance of all international organizations (IOs), focusing on the most important ones and those in which it has the greatest leverage.
- The EU should seek to engage with running IOs, to reform IOs and to allocate more resources.
- The EU should address the weaponization of asymmetric interdependence by taking action at a global multilateral, cross-regional and intra-EU level.
- Developing EU strategic autonomy should focus on security, AI, digital technology, sustainability and cyber warfare, also by cooperating with like-minded allies like the US. Strengthening the global role of the euro is part of the strategy.
- The EU should economize resources by prioritizing key regions (Africa and MENA) and key IOs.
- Finally, promoting rules-based multilateralism at global level requires defending its benefits for European citizens at home.

Introduction

“...all major contemporary challenges, be they environmental, digital, public health or demographic, are cross-national and transnational in nature, necessitating multilateral, cross-border solutions.”

The Covid-19 pandemic and Donald Trump’s ignominious exit from the US Presidency have created the conditions for a very different international environment in the years to come. They were preceded by longer-term trends including the rise of new global powers and the much-lamented decline of the West. Following decades of bipolar and unipolar global orders during and after the Cold War, multipolarity (albeit of an asymmetric kind) is now the rule rather than the exception in most issues of global governance, be they of a security, economic or financial nature.

At the same time, multilateral institutionalized cooperation and transnational organizations are habitually criticised as costly, burdensome, bureaucratic and inefficient. Ad hoc, non-institutionalized cooperation schemes are gaining ground, often as attempts by various revisionist powers to contest the current *modus operandi* of the international system. Unilateral actions or bilateral interactions are further undermining multilateralism as an organizing principle of the global society. Interdependence, however, constitutes a defining element of our age: given ever-increasing connectivity, all major contemporary challenges, be they environmental, digital, public health or demographic, are cross-national and transnational in nature, necessitating multilateral, cross-border solutions.

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Addressing this fundamental tension, the European Commission and the European External Action Service (EEAS) have published a joint Communication “[On strengthening the EU’s contribution to rules-based multilateralism](#)”, which summarizes the EU understanding and conceptualization of multilateralism and identifies the key features of the newly-emerging multilateral system and the EU’s role in it. In this important document, the EU elaborates on its goals, how they can be achieved, and what the European Union can contribute in that respect. The EU envisages a world system collaborating more closely and tightly to combat global challenges old and new, like the Covid-19 pandemic and global recession. This can only be achieved by upholding international norms and agreements, reforming multilateral organizations, and extending multilateralism to embrace new global issues. The EU can contribute to this world system by enhancing its internal coherence, committing additional resources, and seeking a more active role in international organizations.¹

We follow up on this debate by proposing three key strategic priorities for the EU’s international engagement in the years to come.

Leading from within

The EU has long been a strong proponent of multilateralism and multilateral institutions. Being itself a regional multilateral order that has brought peace and prosperity to a tormented continent, it comes as no surprise that the EU has stood behind every effort to create a rules-based multilateral global order. From the mantra of ‘effective multilateralism’ in the 2003 European Security Strategy to the doctrine of ‘principled pragmatism’ in the 2016 Global Strategy, the EU has consistently declared its adamant

¹ Joint Communication to the European Parliament and the Council on Strengthening the EU’s Contribution to Rules-based Multilateralism, 17 February 2021, available at: https://eeas.europa.eu/sites/eeas/files/en_strategy_on_strengthening_the_eus_contribution_to_rules-based_multilateralism.pdf

belief in multilateralism, with international organizations (IOs) at the heart of the global system of governance.

In this period of critical reflection on the role of IOs, the EU should strive to play an ever more prominent role and lead from within. International institutions are primarily judged and legitimized by their performance. Since output legitimacy is therefore of paramount importance for IOs, the EU should make it an absolute priority to improve the performance of all international organizations, focusing on the most important ones and those in which it has the greatest leverage. To achieve this, the EU should adopt a three-pronged approach based on:

- (a) in the short term, **actively engaging with the running of IOs**, participating in their management, seeking appropriate candidates for their leadership positions, and reaching mutual support deals with third countries and regions;
- (b) **persistently seeking to reform IOs that are in danger of becoming obsolete**;
- (c) **allocating more resources to IOs**, and especially those that manage critical public goods (the WHO being a fitting example).

“...the EU lags behind in terms of the number of offices and leading roles it holds in the bureaucratic and political hierarchies of IOs, most notably within the UN system.”

The first component stems from the realization that the EU lags behind in terms of the number of offices and leading roles it holds in the bureaucratic and political hierarchies of IOs, most notably within the UN system. For example, China has launched a systematic and coordinated effort to fill the leadership in UN special bodies and agencies with its own people. This effort has borne fruit, with Chinese nationals heading four of the fifteen UN specialized agencies: namely, the Food and Agriculture Organization (FAO), the International Telecommunication Union (ITU), the United Nations Industrial Development Organization (UNIDP), and the International Civil Aviation Organization (ICAO). An attempt to win the post of Director General of the World Intellectual Property Organization (WIPO) proved unsuccessful only after the United States mobilized to ensure victory for the Singaporean candidate.² An important caution here is that the management and control of the bureaucratic machinery of an IO often leads to those nations and actors who manage and control it often hijacking the IO's agenda and affecting its performance and course of conduct. Remaining out of this game diminishes the EU's political role and clout.

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The second component of this approach entails an institutional recalibration of multiple IOs to reflect the new multipolar reality. The EU's own formal institutional representation should also be reconsidered in the light of an increasing regionalization with the potential to alter the very state-centric nature of the international system. For example, the EU has already achieved 'enhanced observer status' in the UN system by means of Resolution 65/276, which was approved by the UN General Assembly in May 2011. However, the special arrangements and provisions have not yet been applied to all the bodies and fora that operate under the aegis of the General Assembly in Geneva, Vienna and elsewhere, despite this being explicitly mentioned in the resolution. It is true that conditions may have not been right and political support weak. Nonetheless, an international political *acquis* of this sort does pave the way for the EU to play a leading role in reforming IOs, especially since its provisions are not restricted to the EU and can be invoked by all other regional formations. This enables the EU to forge broader

² <https://thediplomat.com/2020/04/how-china-is-remaking-the-un-in-its-own-image/>

“...cooperation on the institutional reform of IOs could emerge as an area in which the views held on the two sides of the Atlantic converge.”

alliances and paves the way for cooperation on further structural institutional reforms. This is also an area in which a strong Euro-Atlantic partnership can be rebuilt and flourish. Following the traumatic years of the Trump administration, the West once again stands aligned on this issue, seeking the stability that only credible and well-functioning IOs can deliver. Hence, cooperation on the institutional reform of IOs could emerge as an area in which the views held on the two sides of the Atlantic converge. Together, the transatlantic alliance should seek to regain control of IOs, not in an aggressive way but rather as a means to establish a system regulated properly in accordance with shared liberal values.

Convergence is less likely in the financing of the international system, which is the third component of this 'lead from within' approach to strengthening multilateralism. Resources play a key role in the effective functioning of all IOs. The EU is the largest contributor to the UN, with its member-states covering around 30 per cent of the UN regular budget and 33 per cent of the separate UN peacekeeping budget. Since 2018, however, China has increased its own financial contribution to the UN from 8 to 12 per cent, making it the second-largest state contributor after the US.³ The EU is thus facing increasing financial antagonism, which could further undermine its political leverage. Increasing the EU's financial contribution to the IOs is not a matter of generosity; it is essential to improve the performance of the existing multilateral system and to ensure the EU's role and influence in this system through the 'power of its purse'.

Addressing the weaponization of asymmetric interdependence

“...asymmetric interdependence is potentially a tool for exercising influence and putting pressure on the weaker side.”

Inter-state relations are not always symmetric; in fact, power asymmetry rules in international relations, due to states' varying structural, demographic, political, and economic features. Back in 1945, Albert Hirschman argued that countries can use asymmetric trade relations as a weapon of political influence at the direct expense of the security of their trading partners.⁴ Even in mutually beneficial interactions, like international free trade, which thrive on interdependence, asymmetry may be a cause for concern. In other words, asymmetric interdependence is potentially a tool for exercising influence and putting pressure on the weaker side.

During the Trump years, the European Union was not the only geography to experience a weaponization of the US dollar, becoming a target of secondary sanctions over Iran applied via the SWIFT international payment system. The EU has often been criticised for resorting itself to practices of this kind to impose its will and political agenda, especially vis-à-vis countries in the developing world. Relations with Russia in the 1990s were also characterised by asymmetric interdependence, with the EU having the upper hand economically and politically but Russia keeping a tight hold of its energy provider monopoly. In the emerging multi-polar system, the EU faces an increasingly asymmetric interdependence with the existing or aspiring global powers. The EU should therefore address the weaponization of asymmetric interdependence; it can take action at three levels:

- (a) **Within the current global multilateral framework, by strengthening the existing IOs and playing an active role in collectively checking for such asymmetries** in the ways described under Point 1 above. Global, rules-based coalitions that counter new or traditional bullies

³ <https://asia.nikkei.com/Politics/International-relations/China-passes-Japan-to-become-UN-s-No.-2-contributor>

⁴ Hirschman, Albert O. (1945) *National Power and the Structure of Foreign Trade*, Berkeley: University of California Press.

can make IOs more effective and help revive multilateralism. After all, and despite its many shortcomings, the EU remains an influential actor in numerous aspects and issues of the global commons.

- (b) **At a cross-regional level, by investing in bilateral multilateralism—in other words, by actively seeking inter-regional collaborations.** Regional organizations are flourishing nowadays, bringing together neighbouring countries and nurturing cooperation between them. In acknowledging regional differences and the varying depth and scope of cooperation in these regional organizations, the EU provides a blueprint for regional integration. Hence, the EU should seek strategic partnerships and enhanced relations not only with individual states, but also with broader regional schemes of cooperation. Not only will there be economies of scale in the negotiation and deriving of agreements, the EU will also be promoting regional multilateralism. In the long term, the latter may become a crucial factor in the shift away from the state-centricity of the international system.
- (c) At the intra-EU level, **addressing the weaponization of asymmetric interdependence is all about developing the strategic autonomy of the European Union.** As its High Representative, [Josep Borrell](#), put it, strategic autonomy is not only about security and defence, it is also about defending European interests and values more broadly.⁵ In practice, this entails the proper channelling of available resources to pivotal sectors with a multiplying effect on the socioeconomic resilience, prosperity, and security of Europe. Strategic investments should focus on sectors such as artificial intelligence (AI), digital technology, the sustainability industry, and cyber warfare.

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The EU is lagging behind in most of these areas, and the gap is expected to grow exponentially in the years to come. Given the sheer magnitude of the resources required, the EU does not need to engage in this ambitious project alone. Without compromising its quest for strategic autonomy, cooperation with like-minded states, like the US and Japan, in the fields of AI and biotechnology, to spearhead research and development, will have substantial benefits for all sides. Finally, strategic autonomy also means reinforcing the Euro as a global currency and launching an EU export bank to properly defend European economic interests in the event of currency or trade wars.

The EU also needs to capitalize on its global regulatory power by setting high operational and ethical standards in critical sectors domestically, then exporting them globally. Whether through bilateral multilateralism or the more traditional path of specific IOs, the EU should claim for itself the role of intellectual and political vanguard in these fields, as it has achieved in the fields of global environmental governance and climate change. Updating the regulatory framework for protecting digital trade and intellectual property in the WTO framework, as well as promoting an open and free internet that respects fundamental human rights and ensures fair access to data and technology, should become the EU's new international rallying flags.

This is another sphere with considerable potential for a revived transatlantic partnership in the Biden era. Together, the EU and the US should engage much more with

⁵ https://eeas.europa.eu/headquarters/headquarters-homepage/89865/why-european-strategic-autonomy-matters_en

international standard-setting bodies and agencies such as the International Telecommunication Union, jointly offering a credible alternative to Chinese tech and telecommunications standards and digital governance.⁶

“Africa and the MENA region are of the utmost importance for the EU.”

Economizing resources by focusing on priority areas

The EU is a global power, with a significant economic and political presence around the world. Still, the EU cannot and should not try to fight every battle on every front: that would be a waste of resources. Instead, pragmatism should drive Europe’s international engagement. Simply put, the EU can achieve more by prioritizing and focusing on:

- (a) **Key regions:** Africa and the MENA region are of the utmost importance for the EU. It is not only geographical proximity that renders these areas so critical for European wellbeing, it is also their fundamental demographic, economic and political features. In economic terms, all current projections reveal a strong growth potential for sub-Saharan African states. The young and dynamic population of the African continent could contribute significantly to future economic development as a source of low-cost labour force. At the same time, though, if this growth potential fails to materialize, this population will seek a better future outside the African continent, further increasing migration pressures on the EU. Politically, despite some progress, there are still many hubs of inter- and intra-state tensions that call for EU and international attention and intervention if they are not to escalate into conflict.

“...the EU should reconsider the prospect of an Africa-focused European Belt and Road Initiative.”

The EU has had a long presence in the broader region within the framework of the early Lomé and Cotonou agreements, the 2007 Joint Africa-EU Strategy, the regional strategies for the Horn of Africa, the Gulf of Guinea and Sahel, as well as the dense network of institutionalized relations with the plethora of sub-regional organizations as well as the overarching African Union (AU). Most recently, in March 2020, the Commission and the EEAS issued a Joint Communication entitled [“Towards a Comprehensive Strategy with Africa”](#), which set out an ambitious agenda for cooperation in the fields of Green transition and energy access, digital transformation, sustainable growth, security, population mobility, and migration. These proposals, which were adopted by the Council in June 2020, suggest a growing momentum in EU-Africa relations. But is it enough?

The EU initiatives reveal a growing realization that a new approach to the EU-Africa relationship is required, if the EU does not want to be overshadowed by the ever-growing Chinese economic and political penetration in the continent. To this end, besides the plans envisaged in the latest Council decision mentioned above, the EU should ensure more development finance for the broader region. It should also increase its efforts to foster stability by initiating more civilian and military missions as required. More boldly, two new opportunities emerge: first, in the post-Covid-19 era, the EU should take the lead in the debt relief efforts for humanitarian and global public health reasons; second, the EU should reconsider the prospect of an Africa-focused European Belt and Road Initiative that would create an organic inter-dependence between the

⁶ Brattberg, E. (2020) *Reinventing Transatlantic Relations on Climate, Democracy, and Technology*, Working Paper, Carnegie Endowment for International Peace, available at: <https://carnegieendowment.org/2020/12/23/reinventing-transatlantic-relations-on-climate-democracy-and-technology-pub-83527>

different regional economic hubs of the African continent and bind them closely to the European economy.

- (b) **Key IOs:** in the same vein, being active and fully engaged in all IOs is not realistic, due to the scarce resources of the EU diplomatic machinery. Even if there was an abundance of political good will, both intra-EU and in the IOs, and all legal and political complexities were bypassed, the EEAS and the EU Delegations around the world would not be able to cope with the demands of a strong EU presence in all major IOs. Hence, the challenge for the EU is once again to identify and prioritize the most important IOs on which the EU and its member states should concentrate their diplomatic and political capital. In these IOs, the EU should actively seek a more prominent institutional representation of its own, based, if possible, on the political precedence of the 'enhanced observer status' the EU enjoys at the UN General Assembly. In the remaining IOs, more burden-sharing practices should be envisaged, with member-states specializing in specific fields taking the lead in orchestrating the collective presence of EU member-states in their respective areas of expertise. This practice, which is commonplace at the UN level, will help the EU to focus on the more important issues on the global agenda without neglecting or snubbing the remaining IOs.

"If they are to flourish, EU liberal internationalist policies require conducive national political arenas."

In this mapping and selection venture, the EU should give emphasis not only to the most high-profile political organizations, like the UN, but also to more technical IOs, like the International Telecommunication Union. As discussed above, the latter group of IOs is critical if the EU is to project its global regulatory power and defend its interests.

An afterword: invest in the domestic politics of global Europe

One final meta-point. The ideal of international engagement, as opposed to glorious (or inglorious) isolationism, is nurtured among enlightened, Europeanist cosmopolitan elites but dies in contested national politics. If they are to flourish, EU liberal internationalist policies require conducive national political arenas. The political debates held at the national and (secondarily) the pan-European level must be able to generate support for liberal internationalism and rules-based multilateralism while confronting instinctive tendencies towards nativism, nationalism and isolationism. It is imperative for European leaders to engage their national political electorates in this debate by showing how rules-based multilateralism and international engagement are good and beneficial for the European and the national citizen, younger generations, and especially the middle class. Failure to do so will cost the EU dearly in terms of its international standing, to the detriment of both the existing liberal multilateral order and of European citizens.