

EU Enlargement and Small States: Their Effect on CFSP

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Abstract

With the EU expanding its physical boundaries to the South and the East, one of the main questions preoccupying its member states is how to deal with the growing number of small applicant states. Research has concentrated on the potential effect of large candidate countries on the enlarged EU, but most of this has concentrated on large countries. This paper aims to examine some of the political effects which small applicant states would have on the enlarged EU, with particular reference to its common foreign and security policy. To this end, this paper will analyse the characteristics of small candidate countries in order to deduce their likely positions and patterns of behaviour and, consequently, their effect on the future development of the CFSP. In particular, their impacts will be examined on the basis of the three following questions. First, how will heterogeneous and diverse interests of the acceding small states affect the cohesion and autonomy of the CFSP? Second, how will they affect its operational efficiency? Lastly, how will they then influence the remit of the CFSP, focusing on the relationship between the EU and the US, Russia, etc.

Introduction

In a world in which power politics is central to understanding the international political system, small states are inevitably exposed to the tyranny of large ones. Particularly, small states lack autonomy and influence¹; consequently, they can neither protect themselves from external hostility, nor influence other actors to take a course of action more favourable to them. This is also the case with the acceding small states of the EU. It is reasonable for them to seek EU membership, as it can strengthen their spheres of influence in international affairs while providing them with certain security guarantees. However, whether or not their intended goals will be accomplished without any difficulties remains to be seen. In fact, the actual culmination of the CFSP appears to be remote at the moment: neither are the member states willing to give up their national foreign and security policy authority, nor has the political and military integration been the primary concern of the EU; to the heart of its integration process goes its economic integration, but not its political and military ones, especially revolving around the CFSP.

Against this backdrop, the next enlargement has its own impact on the future trajectory of the CFSP. Not only will the physical boundaries of the EU be expanded further to the South and the East, but greater number of small states will be admitted into its fold. All this implies that the subject of the EU's CFSP will be extended as the population, areas and nationalities which it has to deal with increase. To put it in a more specifically, as long as the interests of the prospective new small member states are far from homogeneous, there will be considerable impact on the cohesion and efficiency of the CFSP.² The same is true with its institutional autonomy, in that there are no credible EU institutions which have ultimate authority over its governance.³ Moreover, there are reservations about its operational efficiency. Since the efficiency concerning small states' running the Council Presidency has given rise to controversies, the accommodation of more small states may not so much assuage but amplify such misgivings. Associated with this very operational efficiency, how to support the actual operation of the CFSP financially attracts no lesser degree of attention,⁴ because most of the small applicant states are poor. Lastly, the external relations of the EU in the implementation of its CFSP should deserve as much attention as the aforementioned questions.⁵ In fact, its external relationship with its third parties, such as the US, Russia and others, has emerged as the key issue where its future development in an enlarged EU is concerned.

In order to examine all these effects, this paper first elaborates in Section Two on the general and distinctive characteristics of the small candidate states and their behaviour patterns. The following section, Section Three, will examine the external

¹ Hakan Wiber, 'The Security of Small Nations: Challenges and Defences', *Journal of Peace Research*, Vol. 24, No.4 (July 1987), p. 339.

² Heather Grabbe and Kirsty Hughes, *Enlarging the EU Eastwards* (London: The Royal Institute of International Affairs, 1998), pp. 109-18.

³ Knud Erik Jorgensen, 'Making the CFSP Work', John Peterson and Michael Shackleton (eds.), *The Institutions of the European Union*, (Oxford: Oxford University Press, 2002), pp. 210-232.

⁴ Fraser Cameron, *The Foreign and Security Policy of the European Union: Past, Present and Future*, pp. 102-6.

⁵ Helene Sjørusen, 'Enlargement and the Common Foreign and Security Policy: transforming the EU's external identity', in Karen Henderson (ed.), *Back to Europe: Central and Eastern Europe and the European Union* (London: UCL Press Limited, 1999), pp. 43-6.

environment which is imposing on them, in the assumption that it has explicit and implicit impact on the way in which they build their own behaviour patterns. In the process, we will aim to identify what the issues at stake are in achieving the CFSP and how they are related to the question of future enlargements. On the basis of the explanatory variables to be identified in these two sections, the ensuing three sections will assess the likely effects of small applicant states on the future development of the CFSP bearing in mind each of the questions raised in the process of conceptualising the CFSP, i.e. the nature of governance of the CFSP, its operational efficiency and its external relationships. All the findings of the paper will then be summarised in the final section, Section Seven.

The sui generis characteristics of small applicant states and their behaviours

Measuring their economic power (their GDP), their political influence (military power) and their population or territory size may represent some of the ways of defining small states. This article *inter alia* selects the size of population as the main criterion to decide which countries should be considered small states, on the assumption that the influence of given states can indirectly be measured by the number of votes they could have within EU institutions, in which the size of a given state's population corresponds to that of their vote. With this in mind, we will arbitrarily categorise as small any state with fewer than five votes and a population of less than ten millions. This categorisation will *pro rata* be applied to the case of small candidate countries. According to this, eight among the candidate states are small states, namely, Malta, Cyprus, Estonia, Latvia, Lithuania, Slovenia, Slovakia and Bulgaria.

Defining small states has become a serious focus of scholarly research. Not a few researchers have joined the ranks of these efforts. Keohane, among others, illustrates their characteristics by citing what Rothstein said. According to them, a 'small power is a state which recognises that it cannot obtain security primarily by use of its own capabilities, and that it must rely fundamentally on the aid of other states, institutions, processes, or developments to do so.'⁶ Meanwhile, Warrington and Handel particularly articulate their weak military powers (in fact, those of mini-states), asserting the irrelevancy of their self-defence.⁷ If this is so, can the position of small applicant states be described in a similar way? The past history made no secret of their inherent political and military dependence. Their history has been punctuated by the continued intrusions of the regional hegemonic powers, such as the Ottoman empire and the Soviet Union.

This political dependence is related to their economic smallness. In other words, of the main reasons accounting for the lack of their political or military leverage, their weak economic power comes as one of their first. Their economic smallness (Chapter Four) connotes a small amount of money set aside for their foreign and security policy, which means that they are not allowed to possess strong military

⁶ Robert O. Keohane, 'Lilliputians' Dilemmas: Small States in International Politics', *International Organization*, Vol. 23, No. 2 (Spring, 1969), p. 293.

⁷ Edward Warrington, 'Standing to arms in Lilliput' – the armed forces, external relations and domestic politics in a micro-state: Malta, 1965-1997', *Public Administration and Development*, Vol. 18, 1998, p. 185.

forces, or to unfold a wide range of active diplomatic activities. It is thus safe to characterise the acceding small states as politically and militarily dependent. These general characteristics, i.e. political and military dependence, will in turn generate considerable implications for the construction of their behaviour patterns, when they have to be incorporated into a wider context of the EU's CFSP.

Considering their general characteristics as the only explanatory variable fails to provide us with a comprehensive view. It is thus necessary to elaborate on their distinctive characteristics, which are not unique to small states, but whose effects on them differentiate them from one another:

- First, many of the small applicant states (particularly, those in central and eastern Europe) are undergoing a transitional period accompanying political instability, especially when attempting to settle the first stirrings of democracy in their countries after the decades of Communist rule.
- Second, they are relatively poor countries, compared to those which are the member states of the EU.
- Third, some of them – Cyprus and Malta – have adopted neutrality as their main – indeed, key - foreign and security policy guideline.
- Fourth, the geographical locations of small applicant states prompt them to possess different policy priorities in conducting their foreign and security policy. For example, Cyprus has long been embroiled in the regional confrontations between other Mediterranean countries, namely, Greece and Turkey. Meanwhile, Estonia, Latvia and Lithuania as the Baltic states share their borders with Russia, whereas Slovenia and Slovakia are situated in the centre of ethnic wars in the Balkan region.
- Fifth, a different timetable for individual small applicant states to be accepted by the EU can lead them to develop dissimilar perceptions about the CFSP, even if the 2002 Irish referendum opened up the possibility for all the applicant states but Bulgaria to join the EU by 2004.

The main political features of small applicant states have been examined by dividing them into general and distinctive. How do these factors relate to their behaviour patterns? To make sense of their linkage, it is crucial to elucidate their relationships with the external environment. Here, the external environment specifically refers to the CFSP of the EU, in which they will have to implement both their own national foreign policy and Union-level foreign and security policy. In this context, the characteristics of the acceding small states act as underlying rationales by which to form their reactions (or, their behaviour patterns) to the imposition of this particular external environment. On the basis of such an assumption, we will now examine their projected behaviour patterns.

- First, it has been regarded as normal for any small states to pursue their security guarantees under collective (or co-operative) security regimes.⁸ This is no less likely to be the case with small applicant states. They are convinced that the CFSP envisaged by the EU is largely based on this objective of a collective security

⁸ Michael Handel, *Weak States in the International System* (London: Frank Cass, 1981), p. 152; Karen Smith, E., *The making of EU foreign policy: the case of Eastern Europe* (Basingstoke : Macmillan, 1999), p. 5.

regime, and that this can offer them a “form of preventive security policy, placing them in a multifaceted contractual relationship with large and previously aggressive neighbours.”⁹

- Second, as an option to conduct such collective security regimes, small states tend to prefer a rule-binding and civilian form of power to a military one.¹⁰ Given that their inherent military weakness will not allow them a military form of power to guarantee their security, they would rather choose a peaceful negotiations or adopt rules of law in dealing with any foreign policy and security issues concerning their national interests. Such a scenario is also pertinent to the case of small candidate countries, in that they are well aware that relying on any military forms of power for a self-defence results in nothing but a self-annihilation to which their past experiences bore witness.
- Third, the degree of their ascent to the collective security regime, a rule-binding attitude and civilian form of power can vary, depending on the actual extent to which their national interests are at stake. In other words, they will basically be co-operative, if endorsing the CFSP is not in total conflict with their chosen policy orientations (e.g. neutrality). By contrast, if the promotion of the CFSP impairs their national interests, expecting their co-operative attitudes may be a tall order.
- Fourth, it has been identified that the limited administrative capacity of small applicant states make them act in a flexible and informal way when they are engaged in actual negotiations.¹¹ It has also been found on the same ground that their reliance on the Commission to carry out their work at the Union-level is inevitable.¹² Furthermore, that many of the acceding small states are economically poor and politically unstable obliges them to develop a positive attitude towards the overall integration process of the EU (as it was the case with Portugal, which shares a similar features) On the basis of these factors, the degree of the co-operative and flexible attitude on the part of the prospective new small member states will be higher than is the case with the large states and the other existing member states.
- Small states also tend to develop corporatist arrangements when sitting at the international bargaining table¹³. Small candidate countries will pick up much of this attitude, in that speaking with one voice can benefit them more than otherwise would be.

All in all, both the general and distinctive characteristics of small applicant states have been examined, bearing in mind their relationships with the projected behaviour patterns. On the basis of these propositions, this paper now moves its focus to the investigation of their impact on the future development of the CFSP? As a

⁹ Tony Brown, ‘Implications of Enlargement’, in Laurent Goetschel, (ed.), *Small States Inside and Outside the European Union: Interests and Policies* (Kluwer: Kluwer Academic Publishers, 1998), p. 263

¹⁰ Patrick Keatinge, *European Security: Ireland's Choices* (Dublin: IEA, 1996), p. 77.

¹¹ For detailed argument, see Baldur Thorhallsson, *The Role of Small States in the European Union*, (Aldershot: Ashgate, 2000)

¹² Charles-Michel Geurts, ‘The European Commission: A Natural Ally of Small States in the EU Institutional Framework?’, Laurent Goetschel (ed.), *Small States Inside and Outside the European Union: Interests and Policies*, (London: Kluwer Academic Publishers, 1998)

¹³ Peter J. Katzenstein, *Small States in World Markets: Industrial Policy in Europe*, (Ithaca and London: Cornell University Press, 1985) p. 30.

prerequisite step to this task, the next section will assess the past evolution of the CFSP to shed light on its impending issues which will pave the way for further analyses.

The past development of the CFSP and its conundrums

Since its creation up to 1989, the EC/EU could not produce any tangible common foreign and security policy, nor come up with any relevant policy instruments for this purpose. Unproductive and disappointing as it may have been, the EU has continuously strived to circumscribe the depth and width of its foreign and security policy parameters. The first attempt dates back to 1951 when the European Defence Community (EDC) was under discussion. In spite of its daunting initiative, the plan for the EDC was scuttled ascribed to a vehement objection from the French, which opposed its underlying supranational idea. In 1954, the Western European Union (WEU) was formed with the amendment of Brussels treaty. One year later in 1955, the Federal Republic of Germany was allowed to join the North Atlantic Alliance and NATO, with the EC responding to the request of the US concerning its role in regional security issues. But its military functions were explicitly integrated into NATO, to the dismay of European federalists.¹⁴ Along with this development, the 1969 Hague summit put the European Political Co-operation (EPC) into operation until it was fully integrated into the EC by the 1986 Single European Act (SEA), while placing its focus not so much on supranationalism as on intergovernmentalism.¹⁵

However, seismic changes in the international security environment after the end of the Cold War have worked out changes in the EU's foreign and security policy priorities. This has on the one hand resulted from its increased economic leverage in the international economy and, on the other hand, from peer pressure from its third party partners, i.e. the US has called on the EU to assume a bigger role in the international and regional security scene, befitting its economic power. It was against this backdrop that the Maastricht treaty in 1992 marked a turning point. This indeed laid the groundwork for the formation of the CFSP, embodying it as one of the three pillars in the future development of the EU. Such an initiative seemed to gather pace when the Amsterdam treaty in 1997 and the Helsinki summit in 1999 streamlined the CFSP structures with more incremental reforms,¹⁶ while proposing EU based military forces. Nevertheless, all this move has fallen short of developing a de facto CFSP, let alone a defence policy. The obstacles to the culmination of the CFSP seem to lie in the absence of credible EU institutions for its governance, its unproductive decision-making procedures and its limited focus on soft security.¹⁷

The absence of any credible institutions is the implicit manifestation of the dominance of the member states (or intergovernmental forces). To fill this institutional gap, and to check and control the unilateral actions by the member states,

¹⁴ For a detailed discussion about the development of the WEU, and its enlargement, see Stuart Croft et al, *The enlargement of Europe* (Manchester: Manchester University Press, 1999), pp. 89-111.

¹⁵ Simon Nuttall, *European Political Cooperation* (Oxford: Clarendon Press, 1992).

¹⁶ Fraser Cameron, *The Foreign and Security Policy of the European Union: Past, Present and Future* (Sheffield: Sheffield Academic Press, 1999), p. 68.

¹⁷ Karen Smith, E., *The making of EU foreign policy: the case of Eastern Europe*, pp. 13-24.

the member states (or the Council) and other EU supranational institutions (the Commission or the European Parliament) come to share the power for the governance of the CFSP. A case in point is the birth of Mr. CFSP. Being established under the Treaty of Amsterdam, Mr. CFSP has assisted the Council, forming, preparing and implementing policy decisions, while conducting political dialogue with third parties as well as heading the new policy and early warning unit (PPEWU). The Commission and the European Parliament have played their own parts, either assisting the Council or auditing and approving the budget. Even if there have been continued efforts to insert the CFSP issue into the supranational context of the EU, the position of the member states still seems to be apathetic to this move as long as their national foreign and security policy are kept under their exclusive competence. Alongside this question about the absence of any credible EU institutions, the unproductive decision-making practices for the CFSP comes as another issue at stake, on which the growing number of small states may generate considerable impact.

The principle of consensus building (or unanimity rules), as the cornerstone of the CFSP, has been under pressure to be modified, as such practices could undermine its efficiency. As a result of the Amsterdam Treaty, the qualified majority voting system for Joint Action and Common positions was adopted if they were unanimously agreed as common strategies. Constructive abstention was also introduced to facilitate and expedite the decision-making process of the CFSP, allowing the member states to abstain from some of its decisions if they disagree with them. But there still remains the emergency brake which has enabled a member state to declare its opposition to decisions taken by QMV, if they are in conflict with their national policy. It is thus open to controversies to what extent such seemingly contradictory reforms can truly contribute to the culmination of the CFSP. In effect, Dinan has reservations about the latest reform efforts on the part of the EU, arguing that “these reformed decision-making procedures are more complicated than the original ones without necessarily being an improvement on them”.¹⁸ Associated with these internal issues of the CFSP, lastly, the question about its remit as a common foreign and security policy deserves no lesser amount of attention.

The EU has implemented its CFSP, largely focusing on soft security. To achieve this goal, the main strategy it has employed is to spillover its economic prosperity to other countries by way of enlargement or through economic transactions. In this way, it has attempted to solve their security problems. As far as the hard security issue is concerned, by contrast, most of the member states have sought their security guarantees under NATO leadership¹⁹ - although the 1999 Helsinki summit suggested building EU based military forces. Under these circumstances, it is not difficult to see that a capacity deficit preoccupying the EU in the implementation of its CFSP poses an obstacle. This concern will last for some time, given its lack of crucial instruments for effective implementation of the CFSP, e.g. EU based military forces.

All these points suffice to sketch the issues at stake revolving around a so-called ‘foreign and security policy’. They will continue to create a significant resonance in EU politics, particularly with regard to its CFSP. In this context, as an

¹⁸ Desmond Dinan, *Ever Closer Union: An Introduction to European Integration* (London: the Macmillan Press Ltd, 1999), P. 523.

¹⁹ Stanley Hoffman, ‘Towards a Common European Foreign and Security Policy?’, *Journal of Common Market Studies*, Vol. 38, No. 2 (June 2000), p. 192.

attempt to examine the effect of the next enlargement which embraces more small states, we will finalise the questions which will be dealt with for this purpose. They are based on what has been discussed so far.

- The first question focuses on the way in which the accession of more small states affects the cohesion and autonomy of the CFSP. Its relevancy is high at a time when their interests are diverse and heterogeneous and when the EU is still suffering from the lack of an efficient decision-making mechanism or institutional settings.
- The second question is concerned with the operation of the CFSP itself, placing its focus on the rotating presidency, its decision making process and the financial contributions by small states.
- The last concern of this paper is to examine the effects of the growing number of small states on the remit of the CFSP. It will pay particular attention to the external relationship between the EU and the US, Russia and others when the former expands its sphere of influence to new areas.

It is true that all these three questions are mutually inclusive and interrelated. So, there is no point in weighing their relative importance. With such particularities in mind, the next three sections address these questions in turn: the nature of its governance, its actual operational efficiency and its remit of influence.

A cohesive and independent CFSP

How to achieve a cohesive CFSP has a considerable degree of significance in EU politics. This goal truly turns out to be daunting at the prospect of the next wave of enlargement which is deemed to add more diversity to its overall business. In other words, it is open to question whether or not the accession of more small states can enhance the cohesion of the CFSP, given that their interests are far from homogeneous. Even if the admission of more small states makes the CFSP more cohesive, given their inherent characteristics – which will be discussed in detail later – the extent of their genuine contribution to its cohesiveness still needs a circumspect evaluation.

Meanwhile, two cultures compete for the control of European foreign and security policy. One is to represent the desire of the member states, i.e. the preservation of their national autonomy in the CFSP. The role of the Council backed by the member states is stressed in this case when it comes to the operation and governance of the CFSP. The other is to create a CFSP, for which the main power for its operation should reside in the Commission.²⁰ Such a dichotomy concerning its governing institution raises the following question: will intergovernmental forces dominate the CFSP, or will the so-called ‘Brusselization’, in which centrifugal forces (supranational forces) gain weight in its decision-making process as well as its implementation, be accelerated?²¹ Against this backdrop, the entry of more small

²⁰ David Allen, ‘Who speaks for Europe? The search for an effective and coherent foreign policy’, in John Peterson and Helene, Sjurson (eds), *A Common foreign policy for Europe? Competing visions of the CFSP* (London: Routledge, 1998), pp. 95-120.

²¹ Ibid.

states comes to touch upon the question about its autonomy, when any credible institutions for this policy seem to be absent and when many of the member states are reluctant to replace the existing NATO system with their own expensive defence scheme. It is in this context that this section will elaborate on the future development of the CFSP with particular reference to its cohesiveness, autonomy and, therefore, the nature of its governance.

Inasmuch as small applicant states feel their military vulnerability, and thus fear the aggression of outside forces, it seems to be imperative for them to seek collective security regimes by a strategic alliance with one or more large and powerful countries. They are well aware that reinforcing their military strength and diplomatic clout in international affairs can only be possible when the CFSP is implemented, based on the consent mobilised among the member states. As a result, their preference for the CFSP is understandable because this is designed to promote collective security regimes within the EU and such a supranational goal may well serve their interests, too. Hence, the acceding small states will help the EU to implement a cohesive CFSP, as long as they, with their co-operative and flexible attitudes, are involved in it.

Even so, all of them will not necessarily behave in the same way when they are involved in the CFSP. A difference in their actions would not be surprising, especially when the impact of their distinctive attributes on their behaviour patterns is taken into account. Economic underdevelopment (one of the distinctive characteristics, from which most of the small applicants in central and eastern Europe suffer), can colour their attitudes and behaviour patterns. It has been noted that even the small member states, given their poverty, have been actively engaged in the overall development process of the EU.²² Such an active engagement has largely been attributed to their positive estimation of EU membership vis-à-vis their national interests. In other words, it has been considered beneficial and in any case indispensable for them to pursue EU membership, given its tangible economic benefits and certain security guarantees. So, their co-operative and flexible attitudes, enabling them to make certain necessary policy concessions to promote the cohesion of the CFSP, do not seem unexpected. Moreover, facing the difficult choice of which among the possible economic and political objectives should be prioritised, they will place the former over the latter, and accordingly operate the CFSP. The EU will not choose high-politics soon as its top priority, nor will small applicant states, especially those from central and eastern Europe, place elusive political objectives ahead of immediate economic benefits. Therefore, they will to a large extent help to strengthen the cohesion of the CFSP, given the difficulty for them to conduct an independent foreign and security policy.

Meanwhile, Cyprus and Malta, which are relatively rich, neutral and mini states, may act differently in the short term. Their choice of neutrality as a policy may imply their intransigence when the EU conducts its CFSP. But with their minuscule economic and political influence (as mini-states), they have no choice but to promote the CFSP. Among them, the devotion and commitment of Cyprus to the CFSP will be more pronounced than Malta's. Cyprus well knows the importance of concerted efforts from the EU's member states in solving its national division issue: the possibility of its success will further increase when both the EU and Cyprus deal with this issue within the context of the CFSP. This is because the parties directly involved

²² Prime examples are Portugal and Ireland.

in the Cyprus issue are Greece (a member state) and Turkey (an applicant state). However, the case of Malta may be hard to forecast clearly. It has acted in a desultory fashion over the last years, whenever its government changed hands. Nevertheless, Malta, like Cyprus, may not be deaf to the overall security guarantee to be assured within the CFSP ascribed to its inherent lack of leverage to conduct an autonomous foreign and security policy. It follows from this that Malta in the long term will no less help the cohesion of the CFSP than Cyprus, acknowledging its position as a small – indeed, a mini- – state.

The autonomy in implementing the CFSP will be affected as much as its cohesion is. With hindsight, the member states have held the key power to decide how the CFSP should be developed and to what extent. Even if the 1997 Amsterdam treaty reinforced some supranational features in its operation, establishing the post, called Mr. CFSP, to assist the Council Presidency, it has been not so much the Commission as the Council which still commands a dominant position in its decision-making process. That is to say, although the member states agree in principle that a substantial portion of their national authority should be transferred to the supranational level, if a true sense of the CFSP is to be achieved, they are still adamant about giving up their role in its operation and governance.

Against this backdrop, the admission of more small states has produced a transformation in the institutional structure concerning the CFSP. The competence of the Commission will grow by the growth in number of the small states, in that for them to transfer their policy authority to the supranational level seems to be less onerous. Their apparent military and economic incapacity virtually prohibits an independent foreign and security policy. Their acute realisation that the collective security regimes which they are highly likely to pursue within the context of the CFSP not only benefit them most, but also prevent the tyranny of large states, makes this argument more convincing. Of course, the entire argument is predicated on the assumption that their vital national interests are not severely tested within the context of the CFSP. Therefore, it is within this CFSP framework that they can improve their weak positions in foreign affairs while dealing with security issues in a more assertive way. And this will in turn allow them to hold in check the tyranny of larger countries which would otherwise act unilaterally and predominantly in the decision-making process of the CFSP. Therefore, more power to conduct the CFSP will be conferred on the EU, which will not only reduce to some extent the dominance of the member states, but will strengthen the influence of the Commission (a supranational force) in the implementation of the CFSP and, consequently, its functional autonomy in the long term.

Yet it is somehow predictable that the future autonomy of the CFSP will not be improved drastically even if the growing number of small states may create a propitious environment for this goal. For the time being, it is highly likely that small applicant states will be in favour of the current development pattern of the CFSP, in which NATO plays a crucial role, especially where its hard-core security issues are concerned. The limitation of their physical – indeed, military – power, which results in their outright negation of self-defence, makes such an argument even more convincing. It is even more the case when their loss of security autonomy is inevitable. Hence, they will not risk their economic benefits for an elusive political cause, such as the CFSP, given that the EU will be evolving for some time in the

future, emphasising its low politics, and that the reason why small candidate countries seek to join the EU lies in their desire for economic benefits.

In particular, the future development of the EU's defence policy will be highly influenced by such a tendency. Considering their preference for collective security regimes, small applicant states will positively help the EU to mobilise consent from the member states and, thus, their co-operation. This development is largely based on the presumption that the current framework, in which NATO plays a leading role, is to be maintained, if not enhanced. To be sure, the external security environment is changing, such that the increasing role of the EU is desirable, and that co-operation is preferable to confrontation or division into blocs.²³ Their endorsement for a rule-binding and a civilian form of power in carrying out their foreign and security policy will make the future development of the CFSP smoother than it is now. Yet their unabated emphasis on conflict-prevention, rather than on conflict-resolution rationales, when it comes to the establishment of a EuroCorps, reflecting their proclivity for a civilian form of power over a military one, can risk preventing the advent of a de facto self-defence system, while leaving small states to be satisfied with their roles as mediators between the member states if ever serious disagreements occur in operating a defence policy.

The Effects on the Working Nature of the CFSP

With the question about the nature of its governance, it is equally important to examine how the operational efficiency of the CFSP will be affected. The current institutional arrangements in which micro-states hold the rotating Presidency every six months may not boost the consistency of the EU's external representation, nor ensure its envisaged goals when the CFSP is implemented. In addition, the entry of more of the poor small states may not foster the current scheme of handling financial issues. This is because an undeniable amount of scepticism has been expressed, arguing that to culminate in a CFSP a degree of financial independence is indispensable; but this does not exist. As a result, it is necessary in this section to examine these questions in relation to the actual operation of this scheme.

How can the actual operational efficiency of the CFSP be affected by an increase in the number of small states? There may be different verdicts, depending on the way by which the role of small applicant countries is interpreted.²⁴ In spite of the undiminished concern about their capacity to run the Presidency, small and medium-sized member states have been proved to be more successful than large ones in so doing. In the mid-1990s, for instance, in the governance of the Council Presidency, the intrusions of large states' domestic politics was pronounced. Both Germany and France suffered from the burden of holding national elections during their term of office and such domestic elements disrupted the unbiased and efficient running of the Presidency. In the case of small states, however, the misgivings about the burden generated by domestic politics have been less cumbersome because their basic corporatist position has generally been activated (as seen in the previous section). In other words, their acute realisation of the economic and political ramifications of their

²³ Fraser Cameron, *The Foreign and Security Policy of the European Union: Past, Present and Future*, pp. 73-4.

²⁴ *Ibid.*, p. 99.

failure to control the diverse voices of domestic political actors or issues has obliged them to speak with one voice and to be more co-operative in the supranational context of the EU.

Therefore, it is reasonable to expect similar co-operative attitudes from the acceding small states. In principle, running a Council Presidency itself conveys significant implications. Through their tenure of the Presidency can they make their voices heard – of course, only to a degree which does not undermine the cherished goal of a common foreign and security policy. In addition, just as the independent running of their presidency is administratively impossible due to their limited administrative capacity, their heavy reliance on the Commission is actually inevitable (Chapter Six). As a result, there seems to be few options left for them but to comply with what is generally envisaged for the CFSP, in which the role of the Commission is critical. If this is the case, the future small member states will act in such a way as to reduce the chance of conflicts between the member states while strengthening the Commission's operational efficiency.

Although there will many doubts that the growing number of small states will generally make the operation of the Presidency more efficient, we cannot entirely rule out the possible side-effects stemming from their inherent handicaps. First, the credibility of the Council presidencies held by small applicant states can be in doubt. If micro or small states hold the Council presidency, the external representation of the EU will be inconsistent, especially undermining the consistency of the CFSP. Thus, the US, among the EU's other partners has questioned the credibility of the Council presidency, especially when it is held by small member states. So, the EU rescheduled a routine EU-US summit in December 1997 when both the Commission and the Presidency were held by Luxembourg and Jacques Santer (a Luxembourg national respectively). Moreover, small applicant states will be in dire need of operational support from the Council Secretariat, given their underdeveloped administrative systems; but it is problematic that the Council Secretary has only a modest capacity to meet such demands, in spite of its expansion since 1993. Without any substantial modifications in the current mechanism of running the Council Presidency, it is very naïve to expect that the credibility and efficiency of the CFSP will be reinforced, simply because the number of more co-operative small states increases. Therefore, the contributions expected to be made by small applicant states as regards operational efficiency cut both ways. On the one hand, they will foster operational efficiency, given their flexible and co-operative attitudes. On the other hand, they may undermine its efficiency, in that they may suffer from a governance deficit due to their lack of the required administrative resources.

The financial issue which has beset the CFSP will also be affected by the entry of more small states.²⁵ The equivocal wordings of the TEU, in particular its financial clause for the CFSP, has resulted in procedural battles.²⁶ Title V of the TEU did not create a budget for the CFSP; but Article J.11 did indeed propose a cross-pillar, mixed system of funding without apparently realising the consequences which would follow. As a result, procedural battles about who pays for what and what criteria will decide

²⁵ Brian White, *Understanding European Foreign Policy* (Basingstoke: Palgrave, 2001), p. 105.

²⁶ For a more detailed argument, see R Ginsberg, 'The EU's CFSP: the Politics of Procedure', in Martin Holland (ed.), *Common Foreign and Security Policy* (London: Pinter, 1997), pp. 12-33.

this have dominated the debates. It is, thus, these procedural battles which have in turn led the EU to react to international crises slowly, or even not to react to them.²⁷

In this context, however, almost all small applicants are expected to be net beneficiaries of the CFSP. A disproportionately large amount of operational funds have been provided by large member states and this will be the case for some time in the future. As a result, small states will not and in fact cannot stay idle without taking any compensatory measures to make up for their meagre contributions to the finances of the CFSP. They will thus make certain policy concessions as compensatory gestures so that they can avoid the accusation of being free riders. In fact, such concessions can be feasible, in that small states are more likely to be co-operative at the bargaining table than large ones. It is in this way that small applicant states are expected to remove the policy gridlock to some extent, encouraging an agreement among the member states as well as easing procedural battles over their financial contributions to the CFSP.

The external implications for a CFSP

The previous section has examined the relationship between the growing number of small states and the autonomy of the CFSP. It has been found that the accession of more small states will result in enhancing its autonomy. Even so, it is still questionable to what extent the EU can command autonomy when it actually has to implement its CFSP vis-à-vis outside forces, such as NATO, the US, etc. This question particularly rises in seriousness at a time when the conventional sense of security resulting from bipolar rivalries during the Cold-War era has been replaced with a new sense of danger, for example, from ethnic conflict, civil unrest, economic collapse and environmental disaster.²⁸ In other words, the remit of its CFSP should be reconsidered now that the EU is under continued pressure to assume a bigger role in the context of international security. It is therefore high time for the EU to overhaul and refurbish its external relationships with its partner countries, such as the US, Russia, etc.

How will the EU-US relationship be affected by the accession of small applicant states? The demise of the Communist bloc has led the EU to overhaul its role not only vis-à-vis NATO, but also in international affairs. Since the 1990s, the EU has demanded that EU-US foreign and security policy goals should be achieved in line with those for their economic policies. In the foreign and security policy area, the ambit of transatlantic diplomacy extends widely, even if there are many in the US who are highly critical of EU efforts in this field, and many who wish to preserve US dominant position in Europe's foreign and security policy.²⁹ The EU has attempted to develop both the political will and the relevant capacity to operate a credible and effective CFSP, on which the increase in the number of small states can cause a ripple effect. As long as small applicant states would prefer the current system, in which

²⁷ Ibid., p. 24.

²⁸ Gabriel Sheffer, 'The Security of Small Ethnic States: A Counter Neo-Realist Argument', in Efraim InBar and Gabriel Sheffer (eds.), *The National Security of Small States in a Changing World* (London: Frank Cass, 1997), p. 37.

²⁹ Fraser Cameron, *The foreign and Security Policy of the European Union: Past, Present and Future*, pp. 90-3.

NATO dominates European security and defence, they may allow the Atlanticists to have the upper hand over the Federalists in the CFSP. The presence and involvement of the US in Europe will therefore be persistent at least in the short term or, else, in the long term.

In addition, another difficult question is how to deal with the strong influence of Russia in the Baltic region,³⁰ which preoccupies the EU, especially when small states in this region seek to join the EU. This is because the heavy and continued presence of Russia in the Baltic security and foreign affairs scene is still keenly felt by the parties concerned, especially when Russia opposed Latvia's accession to NATO. Therefore, both the EU and the three Baltic applicant states have to address this problem, when Estonia and Latvia, among others, have to deal with the Russian ethnic minorities in their countries.

It cannot be predicted that all the three Baltic States are likely to join the EU simultaneously, even if the 2002 Irish referendum opened the door for their simultaneous accession. Setting a different timetable for each of them may further undermine their trilateral co-operation (or solidarity)³¹ which has already shown signs of weakening. Such a weak trilateral co-operation will have a detrimental effect on the CFSP of the EU, in particular when it attempts to establish its relationships with others in this region, Russia above all. In fact, it is difficult for the EU to mobilise internal co-operation and support from the member states when they suffer from internal cleavages or divisions among themselves, a problem which will be aggravated further with the accession of these three states. This is because they have already become keenly aware of the internal cleavages among themselves, since they have indeed developed their foreign and security policy on the basis of different filial linkages, i.e. Estonia links itself with Finland and Lithuania with Poland. None the less, given that their high priorities for joining the EU lie in their expectation of immediate tangible economic benefits and certain security guarantees, they would at least make certain policy concessions so that the EU can implement a cohesive and efficient CFSP for this region.

The accession of the small states in the Balkan region will produce equally intense of repercussions on the way in which and the extent to which the EU unfolds its CFSP in this region. Ethnic conflict in the former Yugoslavia dealt a severe blow to the EU's claims on the international stage, highlighting how severely it was suffering from a expectations-capability gap³² in security issues. Measuring to what extent Slovenia can make a substantial contribution to the prevention of regional conflicts in the Balkan area will thus make the future direction of the CFSP comprehensible. Taking advantage of its relations (its fifty years of shared history) with its neighbours, such as the Serbs, Croats, Bosnians, Montenegrins, Macedonians, Albanians and other former Yugoslavs,³³ Slovenia may cause the peace-keeping and peace-making efforts of the EU in this region to be redoubled. However, its land

³⁰Ministry of Defence Republic of Latvia, at www.mod.lv/english/02politika/01drosiba.php; Austrian Department of Foreign Affairs and Trade, 'Country information', at www.dfat.gov.au/geo/latvia/#fp.

³¹

disputes with Italy will not be the least cause of trouble for the EU in implementing a cohesive CFSP in this region, since the EU has to address internal issues before conducting any cohesive CFSP.

The admission of Slovakia will also affect the EU's external relationships in the Balkan region. Like Slovenia, it has ethnic minority issues within its territory,³⁴ which have significant implications for the future direction of the CFSP. It is difficult to know how to come to terms with its past experience, characterised by its direct embroilment in ethnic confrontations, which tore this area apart; this question affects the external relationships of the EU in the region. Lastly, uncertain as it may be at this juncture when Bulgaria will join the EU (since it is excluded from the list of front-runners after the Irish referendum), there is a broad consensus among the Bulgarians that joining the EU and NATO, as well as supporting the Stability Pact for South-Eastern Europe, is the priority in its foreign and security policy. Hence, on its accession to the EU, Bulgaria may also to some extent commit itself to enhancing the stability in the middle section of Central Europe by drawing greater attention from the EU to this region.

Like the Baltic states, the applicants in the Balkan region will be co-operative so that the EU can shape its CFSP in a more efficient and effective way. This will in turn help the EU to establish a dynamic and close external relationship in this region. In particular, as regards the role of the EU in dealing with sporadic ethnic wars ravaging this region, they will encourage the EU to pay more attention to it. But it should be borne in mind that such an involvement will be undertaken within the context of NATO, given their reluctance to have costly EU-based military forces.

Meanwhile, the way in which the EU deals with the two small and neutral states in the Mediterranean region leads us to see its external relationships from a somewhat different perspective. The regional confrontation between Turkey and Greece about their possession of Cyprus has been one of the difficult tasks for the EU to deal with. In fact, the EU has to address the Cypriot issue prior to building any regional co-operation and, thus, ensuring stability in the Mediterranean region. In spite of a possible difficulty in predicting a consistent attitude for it, reflecting its behaviour patterns over the past years, a fairly high degree of commitment from Malta is expected, which will in turn to some extent elevate the Mediterranean region to the top position on the EU's foreign and security policy agenda.

To be sure, as neutral states, Cyprus and Malta may be reluctant to give their full support to promote the CFSP, particularly when it comes to a common defence policy. However, as mini states, they cannot totally ignore their economic and political limitations. In addition, they may help the EU to develop an efficient CFSP for this region, which will in turn allow the EU to be actively involved in the foreign and security issues of the entire Mediterranean area. In particular, either as a powder keg in regional conflicts, or as a mediator between the conflicting bodies of Greece and Turkey, Cyprus can play a role either as a buffer zone in regional conflicts or as a detonator among them.

Conclusion

³⁴ At www.europeanforum.bot-consult.se/cup/slovakia/develop.htm.

This paper has attempted to shed light on the effect of small applicant states on the future development of the CFSP, while analysing their behaviour patterns on the basis of their general and distinctive characteristics. We have thus set the three key questions concerning the future development of the CFSP put forward by future enlargement as a framework within which the analysis can systematically be undertaken. The findings of this paper may be summarised as follows.

Small applicant states are inclined to endorse collective security regimes, reflecting their inherent military weakness and economic smallness. Thus, they construct their own distinctive behaviour patterns, reflecting their general and distinctive characteristics. Both of these characteristics have thus led small applicants to cope in different ways with the CFSP, imposed as an inclusive external environment. Above all, the cohesion of the CFSP will basically be enhanced, in that the acceding small states are convinced that certain security guarantees and an increase in their influence in foreign affairs can best be promoted by being members of the EU. To be sure, their dissimilar distinctive features may determine the degree of their co-operation and flexibility. In contrast, their estimation of the autonomy of the CFSP results in an ambivalent interpretation. On the one hand, the institutional autonomy of the CFSP will be reinforced when the voluntary transfer of power and authority to the supranational level are more properly expected from the small applicant states. On the other hand, the actual value of a CFSP is subject to controversy, with the EU losing its autonomy to conduct the CFSP, given the continued insistence on the part of small applicant states on keeping the current context of the CFSP, in which the predominance of NATO is a *sine quo non*.

Second, the growing number of small states may increase the competence of the Commission in operating the CFSP, while admitting that the transfer of their national authority to the supranational level is inevitable. Plausible as such an argument may be, it is still susceptible to outside critiques, especially from the US, as it refers disparagingly to their administrative inability to run an efficient and consistent Council presidency. Meanwhile, it still remains to be seen to what extent small applicant states can finance the CFSP, given their lack of resources. Yet their positive contributions cannot lightly be dismissed, since we can still expect them to ease the relevant procedural battles, playing the role of flexible interlocutors between the wrangling parties.

Lastly, small applicant states will attract more attention from the EU, putting the once-neglected regions in the limelight in its foreign and security relations, while adding more attention to an area to which keen attention has already been paid. On top of this, they will consolidate the current pattern of the EU's foreign and security (defence) policy, insisting on the direct and continued involvement of the US, and utilising its instruments, such as NATO, in Europe's foreign and security policy. Even so, it is still open to question to what extent such a tendency can benefit the EU in operating a cohesive and autonomous CFSP.