

Introduction

European leaders were caught completely unaware by the unfolding of history in Tunisia, Egypt and Libya in 2011 because, for the past year, their focus has been elsewhere. These dramatic events – and Europe’s slow and halting response to them – illustrate once again the importance of the Lisbon Treaty, which for the first time created tools for the EU to develop a coherent, effective foreign policy. But in 2010 – and so far in 2011 – we have seen that the success of the Brussels institutions depends on the focused support and resources of national capitals to make a difference. When this is absent, Europe flounders.

2010 was supposed to be the year of European foreign policy, but it ended up being the year in which foreign policy was marginalised. A year that had started with the hope of a new beginning for the European Union on the world stage after the implementation of the Lisbon Treaty was soon dominated by the euro crisis, which became an existential crisis for the EU and left little room for foreign policy on the front pages of newspapers or in the inboxes of Europe’s leaders. In 2010, the efforts of European leaders were focused almost exclusively on the rescue of Greece and Ireland in order to save the euro and the EU itself. As a result, the bandwidth available to them for foreign policy immediately shrank.

It was not a great year for European foreign policy. However, the performance of member states, and EU institutions was not uniformly mediocre. Out of the 80 “components” of European foreign policy assessed in the scorecard, Europe got eight As, 29 Bs, 39 Cs and four Ds. Of the six “issues” examined in the scorecard, Europeans performed best on multilateral issues (where they scored an average of B+). They also performed reasonably well in crisis management (B-) and in relations with the United States (B-). But on relations with China, Russia and with the Wider Europe the EU’s performance was insufficient. The EU got a C+ for all three but got the lowest score for China.

There were, of course, even greater variations in performance on individual “components”, which ranged from A (e.g. component 37 – relations with the US on Iran and proliferation; component 43 – visa liberalisation with the Western Balkans) to D+ (e.g. component 6 – rule of law and human rights in China; component 46 – relations with Turkey on the Cyprus question). There were also more meaningful variations within “sub-issues” of each of these six large issues. For example, while in 2010 Europeans did poorly on the “Wider Europe” issue in general, there were strong contrasts among the three “sub-issues” that comprise it: performance was good on the Western Balkans (B), mediocre on the eastern neighbourhood countries (C+) and poor on Turkey (C-). Similarly, for relations with both Russia and China, the “Human Rights and Governance” “sub-issue” got very bad grades, which markedly lowered the average for these issues.

Most successful EU policies in 2010

	Unity	Resources	Outcome	Total	Grade
28 Relations with the US on terrorism, information sharing and data protection	5	5	8	18	A
37 Relations with the US on Iran and proliferation	5	5	8	18	A
43 Visa liberalisation with the Western Balkans	4	5	9	18	A
80 European policy in the World Trade Organization	5	4	8	17	A-
76 European policy on Iran and proliferation in the multilateral context	5	5	7	17	A-
5 Agreement with China on standards and norms, consumer protection	5	4	7	16	A-
23 Relations with Russia on Iran and proliferation	4	4	8	16	A-
57 Response to the earthquake in Haiti	4	4	8	16	A-

Least successful EU policies in 2010

		Unity	Resources	Outcome	Total	Grade
6	Rule of law and human rights in China	2	2	1	5	D+
7	Relations with China and the Dalai Lama on Tibet	2	1	2	5	D+
44	Bilateral relations with Turkey	2	2	1	5	D+
46	Relations with Turkey on the Cyprus question	3	1	1	5	D+
17	Media freedom in Russia	3	2	1	6	C-
18	Stability and human rights in the North Caucasus	4	1	1	6	C-
26	Relations with Russia at the G20	2	2	2	6	C-
61	Crisis management in Kyrgyzstan	4	1	1	6	C-

Most united EU responses in 2010

		Unity
64	Stabilisation and state building in Iraq	5
38	Relations with the US on climate change	5
49	Relations with the Eastern Neighbourhood on trade and energy	5
9	Relations with China on Iran and proliferation	5
60	Stabilisation of the Georgian border	5
5	Agreement with China on standards and norms, consumer protection	5
80	European policy in the World Trade Organization	5
76	European policy on Iran and proliferation in the multilateral context	5
28	Relations with the US on terrorism, information sharing and data protection	5
37	Relations with the US on Iran and proliferation	5

Most divisive issues in 2010

	Unity
7 Relations with China and the Dalai Lama on Tibet	2
6 Rule of law and human rights in China	2
44 Bilateral relations with Turkey	2
26 Relations with Russia at the G20	2
12 Relations with China on currency exchange rates	2
32 Relations with the US on NATO and NATO reform	2
33 Relations with the US on arms control and Russia	2
39 Relations with the US on global economic and financial reform	2
1 Formats of the Europe–China dialogue	2
8 General openness of China on civil society exchanges	2
47 Relations with Turkey on regional issues	2
68 European policy in the G20 and G8	2
79 European policy on the Millennium Development Goals	2
54 Crisis management in the Former Yugoslav Republic of Macedonia	2
63 Stabilisation and state building in Afghanistan	2
22 Diversification of gas supply routes to Europe	2
74 European policy in the international humanitarian system	2

The birth of the crisis generation

Where previous cohorts of European leaders were defined by geopolitical events such as 1989, Kosovo, 9/11 or Iraq, the formative event for many of the leaders who were in power in Europe in 2010 was the Great Recession. They have been more focused on geo-economics and the global shift of economic power than geopolitics and the balance of military power. They are less wedded to traditional geopolitical alliances (for example, with the US) or enmities (for example, against Russia) than their predecessors. They have taken the world as it is rather than as they hoped it would be. They are willing to “reset” relations with authoritarian governments in countries such as China and Russia and are suspicious of humanitarian intervention and democracy promotion. They want to scale down their involvement in missions in far-off places such as Afghanistan and return the problem of order to local leaders. This shrinking ambition for foreign adventures was manifested in the declining budgets for aid and defence in Europe’s austerity-obsessed capitals.

The economic crisis has accelerated a triple transition that is changing the balance of power in the world, the European neighbourhood and finally the EU itself. In 2010, the EU started repositioning itself for this world by developing positive new approaches to the United States, and China and Russia. It also fought back on multilateral issues with a more muscular approach after the debacle of Copenhagen in 2009. However, because European leaders were preoccupied with local economic difficulties and focused on global challenges, they tended to neglect their own region: enlargement stagnated, bilateral relations with Turkey worsened and the EU struggled to find a response to authoritarian retrenchment in the eastern neighbourhood. Meanwhile, the EU launched no new crisis management missions and shifted its attention to geo-economic priorities such as piracy rather than humanitarian interventions. The findings of the European Foreign Policy Scorecard 2010 can best be understood in the context of the EU's responses to these three power shifts: Europe's response to the change in the global balance of power, its response to the changes in the regional balance of power and its response to the radical changes within the EU.

Europe as a global power

At a global level, European leaders finally woke up to the fact that they inhabit a “post-American world”. The relationship with the US is still the densest one that the EU enjoys, but it no longer has the powerful emotional significance it had over the last few decades. This “normalisation” reflects the fact that the US is no longer such an obvious provider of public goods to the EU in the security realm or the economic sphere: for example, whereas in the 1990s Europe needed American help to save the Balkans, much of Europe now blames the US for the financial crisis. As a result, Europeans have shown themselves more willing to stand up to the US on key issues and in some cases have been remarkably successful in getting US cooperation. In the past, the leaders of member states tended to co-ordinate policy with the US before they did so with each other and often acted in order to preserve their bilateral “special relationships” with the US rather than their own collective interests – for example, on Afghanistan.

In 2010, on the other hand, the EU had significant successes when it identified its common interests and pursued them with the US in a single-minded way. For example, the EU managed to get the US to commit to a multilateral route on Iran and to accept a renegotiated deal on the availability of SWIFT financial data that better preserves the rights and privacy of Europeans. In this new approach with the US, the surprise heroes were the European Parliament, which blocked the

SWIFT deal, and High Representative Catherine Ashton, who managed to use her burgeoning relationship with Secretary of State Hillary Clinton to steer the Iran process through the UN. The EU scored a B- for its performance in relations with the US. Worryingly, however, this new success in securing American cooperation had less impact on the wider world – for example, although the EU was successful in securing US cooperation, this was not yet enough to deter Iran from continuing to develop nuclear weapons.

The change in relations with China was more dramatic. For years, western powers had a “faith-based approach” to China: they believed that as China and other emerging economies became richer and more developed they would become “responsible stakeholders” that would play their part in maintaining the global multilateral system. However, this assumption was challenged by China’s willingness to free ride and by its increasingly assertive approach to international relations in the last few years. In 2010, European leaders seemed to face up to this new reality and reassessed its “strategic partnership” with China. High Representative Catherine Ashton organised the first debate among foreign ministers on the topic since 2005; European Council President Herman Van Rompuy convened a Council meeting on the same topic. Germany published a promising paper on EU policy towards China and, in December, the Council signed up to a strategy based on reciprocity, leverage and trade-offs. But although there has been a change in approach – particularly in trade policy – it risks being undermined by ongoing tendencies of member states, particularly ones that were vulnerable to Chinese “bond diplomacy” such as Spain, to pursue their own bilateral relationships with China that undermined the embryonic European coherence. As a result, despite its positive new approach, the EU scored only a C+ on China.

The EU also mounted an impressive fight-back in multilateral issues after a disastrous year in 2009, and performed remarkably well, scoring a B+ – its best grade in any of the six issues assessed in the scorecard. The Copenhagen summit on climate change in December 2009 was a major defeat for the EU and had left serious doubts about international efforts to address global warming – a key EU objective. The failure of the international community to stop Iran’s nuclear programme had also eroded faith in multilateral efforts to stop the spread of nuclear weapons. Emerging powers such as China and India also created increasing pressure to reform the governance structure of bodies such as the International Monetary Fund (IMF). Although the EU did not achieve its ultimate objectives on issues such as climate change and Iran, it did score some defensive successes in 2010 – for example, at the Cancún conference, which

restored confidence in UN-led negotiations on climate change. The UK, Germany and Denmark played important roles in these negotiations. By the end of the year, the outlook for the multilateral system – and for the EU’s role in it – had significantly improved. The danger for the EU is the increasing importance of the G20, in which the EU, for various reasons, performs badly: it scored an average of only C in the six components in the scorecard involving the G20. The most obvious villains were European finance ministers, who failed to cohere on IMF reform until the US forced them to do so.

However, as a result of the economic crisis and the focus on global challenges, there was little enthusiasm within the EU for crisis management. As a result, the EU got a B- in an area that was an EU priority in the past. Moreover, there were indications that this grade may drop in the future. Member states continued to be involved in a range of crisis management missions around the world under the auspices of the EU itself, NATO and other agencies such as the Organization for Security and Cooperation in Europe (OSCE). Successes included the monitoring mission in Georgia and the response to the earthquake in Haiti. But as they announced big defence cuts, cash-strapped European governments launched no new EU-flagged missions and are increasingly looking towards indirect engagement in future crises. Although some MEPs focused on “branding” rather than effectiveness, the EU deployed quickly in response to the earthquake in Haiti in January and made a major contribution to the UN operation. But the few other cases in which the EU expanded crisis management operations tended to be in geo-economic missions such as the naval patrols in the Indian Ocean to contain Somali pirates, rather than classic humanitarian ones.

Europe as a regional power

There was a big positive step in the EU’s role as a regional power: the European “reset” with Russia, which was made possible by a remarkable Polish-German rapprochement. The rapprochement illustrates the way that geopolitical enmities matter less for the crisis generation than they did for their predecessors. At the same time, the economic crisis – which affected Russia more than any other member of the G20 – means that Russia is seen as less of a threat than it used to be just a few years ago. In fact, some European leaders now fear a weak Russia as much as a strong Russia. In theory, this should make it easier to have a united policy on the east. However, because they were so preoccupied with economic difficulties and global challenges, European leaders were not yet able to build a confident new approach on this promising foundation and scored C+ on both

Russia and the Wider Europe. Unfortunately, this inward-looking focus also took place at a time when other powers – above all Turkey and Russia – were recalibrating their own policies to have more of an impact in the region. This meant that, as the environment in the region worsened in 2010, the EU was in general unable to respond and so lost influence.

However, although this was a year in which the EU in general lost ground in the Wider Europe, there were strong variations in the performance of the EU in the three constituent parts of the region, as mentioned above. On the Western Balkans, there has been good progress, including a big step forward on visa liberalisation and a modest step forward on Kosovo, although this was as much through inertia as through political leadership. But as public opinion on enlargement in many member states, including France and Germany, hardened, the accession process stagnated. In particular, accession negotiations with Turkey went nowhere. In fact, only one new chapter was opened (although Spain deserves some credit for opening it). The EU did particularly badly in bilateral relations with Turkey – which opposed new sanctions against Iran – and on relations with Turkey on the Cyprus question. Cyprus is the perpetual villain on Turkey: in 2010 it provided Turkish Prime Minister Recep Tayyip Erdoğan with a way to avoid implementing the 2004 Additional Protocol to the Ankara Agreement.

The EU also struggled to find a response to the authoritarian retrenchment in the eastern neighbourhood that culminated in the crackdown after the election in Belarus in December. However, Germany showed leadership by probing ways for the EU to get involved in protracted conflicts (and using the summits at Meseberg and Deauville to test out Russian willingness for a move). Perhaps even more disastrous than the EU's lack of interest in the eastern neighbourhood, however, was its complete neglect of the southern neighbourhood. Again, this was a symptom of a shift among European leaders from geopolitics to geo-economics. For example, the Union for the Mediterranean – the EU's main tool for engaging the southern neighbourhood as a whole – was launched with fanfare before the economic crisis began but has since stalled as a result of neglect by the EU and political differences between non-EU members. The revolutions in North Africa in 2011 – which left the EU scrambling to find an adequate response – illustrated the dangers of this approach.

The new EU

The expectation in many circles was that, with the implementation of the Lisbon Treaty, there would be a major shift of power from national capitals to Brussels. What made the creation of the new post of high representative – in effect, a European foreign minister – exciting was that its occupant would have both the political legitimacy of the member states and the financial resources of the European Commission. Equally importantly, the high representative would be supported by the European External Action Service (EEAS) – an 8,000-strong diplomatic service that could help the EU to turn its resources into leverage in places such as Cairo and Kyiv. However, perhaps inevitably in retrospect, 2010 was a year of transition in which the big task was the creation of an operational diplomatic service from nothing. Much of the year was taken up with inter-institutional battles as elements within the European Commission and some member states tried to renegotiate the terms of Lisbon – and exclude elements of the European Commission from the EEAS. Catherine Ashton deserves a lot of credit for setting up the service during 2010, but inevitably her focus was on the challenge of institution-building rather than policy development.

Instead of the expected shift of power from member states to Brussels, the euro crisis led to a different power shift among member states themselves in 2010. The creation of the euro was meant to bind Germany more tightly to Europe. However, as Germany has emerged as a superpower within the EU, it has disrupted many of the traditional structures that underpinned European integration, such as the community method and the role of the European Commission, and has prompted Europe's other players to develop strategies for taming and channeling German power. In 2010, Germany emerged as a hegemon – but one that was in denial about its power. While Germany gradually moved towards showing leadership in the economic realm during 2010, it was more reluctant to take the lead on foreign policy. It has launched a few important foreign-policy initiatives – for example, at the Meseberg and Deauville summits – but its voice in foreign policy still does not reflect its economic weight.

Over the last few years, as the EU has become bigger, with a more diverse range of competing interests, progress in foreign policy has often been made by “minilateral” coalitions – small groups of member states cooperating to develop new initiatives. Examples include the way that the EU3 led on sanctions against Iran, cooperation between Poland and Lithuania at the time of the Orange Revolution, and the Polish and Swedish initiative to create the Eastern Partnership (EaP). In 2010, as Germany increasingly emerged as the dominant power within the

EU, “minilateral” coalitions tended to form around it. For example, Germany and France cooperated on various issues including the “competitiveness pact” at the Deauville summit, German Chancellor Angela Merkel and British Prime Minister David Cameron cooperated on the EU budget, and the German and Polish foreign ministers intervened in Belarus before the election in December. At the same time, however, other coalitions were formed that could become ways of balancing German power. For example, France and the UK cooperated to save money on defence at a time of austerity, and the Nordic and Baltic countries cooperated to exchange advice about competitiveness.

Europe’s hidden power: the *acquis diplomatique*

Since the onset of the Great Recession, politics has followed economics and foreign policymakers have tended to look not at the traditional stocks of geopolitical power – the size of GDPs, military spending, technology, or human capital – but rather at Wall Street-style metrics such as flows, especially growth rates. In their tendency to be captivated by states with high growth rates, policymakers outside Europe – and too often in Europe – tend to underestimate the clout of established powers such as the EU. In terms of the classical indicators of power, the EU is still a force to be reckoned with. Europe has a market larger than America’s or China’s. It represents 17 percent of world trade, compared to 12 percent for the US. It has an extensive global network of development agencies that dispense half of the world’s foreign assistance, compared to 20 percent for the US. Europe also has considerable military assets – its 27 member states account for 20 percent of the world’s military spending, compared to 43 percent for the US, 7 percent for China, 4 percent for Russia, 2 percent for India, and 2 percent for Brazil. Yet despite these assets, the EU continues to punch below its weight on the global stage because its power is fragmented.

The EU’s ongoing failure to translate its resources into actual power leads to pessimism. However, as the findings of the European Foreign Policy Scorecard 2010 show, there are also reasons why EU leaders could be more optimistic about the future. Although 2010 was in a sense “year zero” in institutional terms, the EU is not starting from zero. Rather, there is already a substantial *acquis diplomatique* – in other words, a collection of areas where Europeans foreign-policy interests are collectively and successfully defended by Europeans.

European performance on issues and cross-cutting themes in 2010

ISSUE	Score out of 20	Grade
Multilateral issues	14	B+
Crisis management	11	B-
Relations with the United States	11	B-
Relations with Russia	10	C+
Relations with Wider Europe	9	C+
Relations with China	9	C+

The following table illustrates cross-cutting themes (in other words themes that are dealt with in various different “components” within different “issues”) on which the EU did well and badly in 2010. An explanation of each theme is given below.

CROSS-CUTTING THEME	Score out of 20	Grade
Iran and non-proliferation	16	A-
Trade liberalisation, standards and norms – “low politics”	13	B
Balkans	12	B-
Climate change	12	B-
Visa policy	12	B-
Issues of war and peace – “high politics”	11	B-
Energy policy	10	C+
Afghanistan	10	C+
Protracted conflicts	10	C+
Israel-Palestine	9	C+
G20	8	C
Human rights	8	C

The cross-cutting themes are the following:

“Iran and non-proliferation” amalgamates components 9, 23, 37, 76, 77.

“Trade liberalisation, standards and norms policy” amalgamates components 2, 3, 4, 5, 14, 29, 30, 49, 80.

“Balkans” amalgamates components 34, 40, 41, 42, 43, 47, 54, 65, 66.

“Climate change” amalgamates 13, 25, 38, 75.

“Issues of war and peace” amalgamates components 9, 20, 23, 24, 32, 33, 35, 36, 37, 51, 52, 53, 54, 55, 56, 59, 60, 61, 62, 63, 64, 65, 66, 67, 76, 77.

“Visa policy” amalgamates components 15, 27, 43, 50.

“Energy policy” amalgamates components 21, 22, 47, 49.

“Afghanistan” amalgamates components 24, 36, 63.

“Protracted conflicts” amalgamates components 20, 51, 52, 53, 60.

“Israel-Palestine” amalgamates components 35, 59.

“G20” amalgamates components 11, 12, 26, 39, 68, 69.

“Human rights” amalgamates components 6, 7, 8, 16, 17, 18, 31, 40, 45, 48, 72.

The profile of European foreign policy which appears in the scorecard is sometimes surprising. For example, the EU is not just a “herbivorous” power, as is sometimes assumed. The scorecard confirms the assumption that the EU is particularly active and competent in “low politics” (i.e. trade liberalisation, standards and norms, where it gets an average grade of B, as well as on climate change in general (B-), and that it is not a great power in the mould of the US or Russia. But it also suggests that the EU is not absent from “high politics” (i.e. issues of war and peace), as is sometimes assumed, and that it is actually sometimes good at it, such as on Iran. Its average score on these “hard power” issues, from Somalia to Afghanistan and non-proliferation, is B-, largely above the average grade, even though issues related to protracted conflicts and European security where the EU is still divided tend to drag that grade down, as exemplified by the score on relations with the US or Russia on European security issues. For the same reason, performance on energy policy is disappointing (C+).

While the best performances of Europeans are to be found in non-proliferation, multilateral issues and other areas of strength such as the Western Balkans or humanitarian action, the worst-performing sub-issues are human rights with Russia, China and Turkey (all C-). Moreover, while Europeans did well on multilateral issues in general, they performed poorly in the G20 (including relations with the main partners on G20 issues), with an average grade of only C.

The scorecard also offers some suggestions about when and how the EU performs well and when it performs badly. While successes are always due to a variety of factors interacting in a virtuous circle, three reasons stood out. In 2010, the EU tended to perform well when:

- it was united (for example, on agreement with China on standards and norms (component 5), European policy on the International Criminal Court and ad hoc tribunals (component 73), and climate change). In general, Europeans tend to be united on issues of trade and development, climate change, and war and peace – from Iran to peacekeeping operations.
- it faced a crisis in the past, was humiliated, and reacted (for example, the Balkans, Iran after Iraq, Cancún after Copenhagen).
- it had a forceful leader – either a member state or group of member states or an EU institution – who is able to bring the rest of the EU with it (for example, the EU3 on Iran, the European Parliament on SWIFT, France on Somalia).

Conversely, the EU tended to perform badly when:

- it was divided – the scorecard shows that policies with a low grade on unity like 2/5 or 3/5 get an average outcome lower than 4/10, whereas policies with the highest grade in unity (5/5), get an average outcome of 7.3/10. In other words, when Europeans fail to stick together, they are certain that their preferences will not prevail. Unsurprisingly, in 2010, Europeans were divided on human rights, Turkey, European security issues and the G20.
- it was united but did not devote sufficient resources – for example, in the crisis in Kyrgyzstan, where Europeans decided to simply support a very small and ineffective OSCE police mission.
- the environment became less favourable than when policies were devised. In some instances, Europeans had substantial policies in place, but had very little impact because their leverage shrank due to events beyond their control. For example, with President Barack Obama’s political difficulties, it is very hard to influence the US Congress on an issue such as climate change. In a number of components, there also seems to be a vicious circle taking hold between a non-permissive environment and the lack of resources. This is typically the case on human rights issues, where Europeans know their leverage is limited and therefore do not commit significant resources.

2011: Europe’s second chance

Looking forward to 2011 in the context laid out in the beginning of the introduction, Europe has a unique opportunity to develop the *acquis diplomatique* – but it also faces a real danger of losing it. The success of EU foreign policy in 2011 will depend on how it responds to three big crises – one internal, one regional and one global – that it must turn into opportunities.

The fundamental challenge is the crisis of the eurozone, which has subsided but not yet ended. The EU’s member states – led by Germany – have surprised sceptics by showing in 2010 that they will do whatever it takes to save the euro. However, there are two major challenges associated with their response. On the one hand, there is the danger that by taking the wrong decisions to save the euro they could end up fracturing the EU. In particular, if they are not careful, they could create one of two structural divisions within Europe: either a two-speed Europe divided between eurozone members and the rest of the EU; or a

eurozone that is itself divided between creditor countries and debtor countries. On the other hand, the economic crisis has led to defence budget cuts that could either strengthen or weaken the EU's crisis management capability. If all goes well, the need to save money could lead to greater pooling and sharing of EU resources and the translation of the EU's impressive military spending into real capabilities – as France and the UK hoped when they signed a defence pact last year. However, the impulse for Europeans collectively to contribute more actively to global security seems to be evaporating and European appetites for liberal interventionism have been blunted by the experiences of Iraq and Afghanistan, as the slowness of member states to intervene in Libya illustrates. In 2011, the EU may struggle to maintain the appearance of a credible security actor at all.

Second, the dramatic events in North Africa and the Middle East in 2011 have created a historic opportunity for the EU to develop a values-based foreign policy in its neighbourhood (as well as resetting dysfunctional relationships with Turkey and Israel). In many ways, this is a crisis made for the EEAS and High Representative Catherine Ashton, as it is in a part of the world where the EU has real interests and influence, and where diplomacy, trade, development spending and crisis management could be brought together to make a real difference. In the past, European foreign policy in North Africa and the Middle East was paralysed by an apparently straightforward choice between dictators and Islamists. In Egypt, for example, it seemed to be a choice between former president Hosni Mubarak and the Muslim Brotherhood. The revolutions of 2011 have demonstrated that this apparent choice was a false one. We are now witnessing the rebirth of politics in the Arab world, which, though it will not necessarily produce anti-western governments, will make the pursuit of western interests more complicated. The EU will need to develop new tools: it cannot rely on the promise of enlargement to the countries of North Africa.

There is, however, a real danger that, as Europe struggles to deal with the euro crisis, it will miss a historic opportunity to support the transformation of the Middle East and North Africa. Although they support democracy, member states still have important interests in North Africa: they rely on North African states for energy and they worry about immigration. An introspective Europe would also have a negative impact on the eastern neighbourhood, parts of which are in danger of slipping into a state of peaceful disorder. Although Turkey will continue to depend on Europe (for example, for foreign investment), it is becoming increasingly relaxed about the stalling of accession talks as it develops its own neighbourhood policy. As European leverage decreases and

Turkish self-confidence increases, the EU will increasingly need to engage Turkey in a strategic dialogue on foreign policy alongside accession talks.

Third, Europe faces dangers – but also has an opportunity – at a global level. On the one hand, the economic crisis has made it clearer than ever that the world needs to re-invigorate the institutions of global governance to deal with problems that cut across borders. On the other hand – as the scorecard shows – the EU has developed a more muscular approach to the great powers, “normalising” relations with the US and narrowing the differences between member states on China and Russia. However, there is a danger that the EU could find itself lost in a G-world: The G20 had a brilliant start in response to the economic crisis, but it is fast becoming a big problem for the EU. The G20 has a structural majority of states that are opposed to interference in states’ internal affairs, behind which China is able to hide, and embodies an informal world of cooperation and balance-of-power politics rather than the rule of law and institutionalised responses. In 2010, G20 discussions were material in reducing Europe’s weight in the IMF. In 2011, as the G20 further displaces other multilateral institutions such as the UN, it may become a mechanism for marginalising the EU.

In short, Europe now has a second chance. 2010 – the first year after Lisbon – was meant to be the year that European foreign policy emerged, but instead the euro crisis meant it was marginalised. However, just as 1989 forced the EU to enlarge, so 2011 could force the EU to develop a coherent and effective foreign policy.