

### 3 Origins: intergovernmentalism and European Political Cooperation

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As war in the Middle East threatened to erupt during the first week of June 1967, leaders of the Six were settling down into one of their periodic inter-governmental summits only a few hundred miles away in Rome. Although fully aware of the different preferences among EU states regarding this volatile region,<sup>1</sup> and of the apparent intractability of the political problems in the Middle East, Germany suggested the Rome summit might be a rare opportunity for the Europeans to speak with a single voice about the tense situation. However, France, under the leadership of de Gaulle, proposed instead a four-power summit (France, the Soviet Union, the UK, and the US) to discuss a settlement to the conflict, but this offer was rejected by the Americans. This failure on the part of the EU even to attempt coordination on its own during such a major crisis, and the rejection of French leadership, both eased the way for the creation of EPC three years later. As German chancellor Kurt Kiesinger recalled, “I felt ashamed at the Rome summit. Just as the war was on the point of breaking, we could not even agree to talk about it” (Ifestos 1987: 420).

The dynamics of the Rome summit during the 1967 Six-Day War also illustrate three important circumstances facing EU governments as they began to think more seriously about coordinating their foreign policies. First, their positions on important global issues such as the Middle East conflict were clearly, and almost embarrassingly, at odds with each other. Second, the EU lacked any procedures or mechanisms of its own at the time (other than occasional intergovernmental summits) to coordinate such positions. And third, it was not even agreed that the EU was the most appropriate forum for such coordination, as this might stifle the great power ambitions of France and could not include the US or the Soviet Union, the dominant powers at the time.

How the EU managed to overcome these obstacles and establish a rudimentary foreign policy coordination mechanism, chiefly involving

<sup>1</sup> At this time France and Italy supported the Arabs, the Netherlands supported the Israelis, Germany declared itself neutral but tacitly supported the Israelis, and Belgium and Luxembourg expressed their support for the UN and the Atlantic Alliance.

intergovernmental procedures, is the subject of this chapter. This initial focus on EU governments, however, does not mean that intergovernmental theory is the most appropriate analytical tool to explain its performance and development. Although observers are often tempted to apply such theory to EU foreign policy cooperation in light of EPC/CFSP formal decision-making rules (where unanimity tends to govern), I argue that intergovernmentalism must be supplemented with insights from institutional theory to explain fully the expansion and day-to-day functioning of EU foreign policy. Still, in order to explain better how an intergovernmental system became increasingly institutionalized and linked to Community procedures, we first need to understand how the intergovernmental approach influenced the earliest debates surrounding EPC.

As I discussed in the previous chapter, the basic simplifying assumptions of intergovernmentalism – involving self-interested bargaining among high-level government officials with predetermined preferences – appear to offer a neat, parsimonious model to explain complex phenomena. If state preferences are taken as given (or formed by a process distinct from that of strategic interaction), if outcomes are treated as separate deals, and if the focus is on top government officials, then the theory eliminates a great deal of variance which might complicate the explanation. Outcomes are explained largely by determining which state(s) had the most to gain or lose in a bargain, which influences their negotiating position. If most of the assumptions of intergovernmentalism hold true during a certain EU decision-making situation, then it would be a powerful tool to explain specific cooperative outcomes, whether they involve history-making events or normal policymaking. Most important for our purposes, intergovernmentalism should be *most* applicable to situations where negotiations are in fact dominated by governments to the exclusion of domestic influences and EC actors, and where institutional arrangements are weak or non-existent. These attributes perfectly describe EPC in its early years.

Indeed, the characteristics of EU foreign policy both in terms of its boundaries as an issue-area and in terms of its formal institutional structure have led many analysts to explain it through the use of general intergovernmental models (Bodenheimer 1967; Wallace 1983a; Pijpers 1991; Øhrgaard 1997) or similar theories of two-level games (Bulmer 1991). On the basis of day-to-day policymaking, EPC could easily have been an informal bargaining arena, where deals were worked out behind the scenes between major players. Chiefs of government and their representatives had the authority to decide the issues and options that could be discussed within EPC. Their monopoly over agenda-setting and the general secrecy of the entire process, both domestically and at the EU level,

insulated them in at least three ways: from domestic pressure about issues taken up within EPC, from criticism about the performance of EPC, and from ideas concerning the institutional development of EPC and its relationship to the EC. Thus an intergovernmental or two-level games approach, where chiefs of government make collective policy in between the “game boards” of domestic and international politics, seems especially appropriate for analyzing EPC, especially during its formative years. To evaluate this claim thoroughly, the rest of this chapter explores the origins, institutional structure, and early performance of EPC through the conceptual lens of intergovernmental theory.

### **EPC: the origins**

The “pre-history” of EPC has been recounted in a number of excellent studies (Allen and Wallace 1982; Ifestos 1987; Nuttall 1992a); I do not attempt to repeat their efforts in detail here. Instead my purpose is to frame the debate over European foreign policy cooperation in terms of institutional arrangements to understand why EPC took the weak form it did with the Luxembourg Report of 1970, and how it performed during its first years in operation. However, to appreciate the achievement represented by the Luxembourg Report fully, we need to consider the long series of debates that preceded it. In this sense, the discussions leading up to the Luxembourg Report are highly instructive about the way EU member states tend to define collective problems and devise institutional mechanisms to address those problems. To this day, the earliest postwar debates over the means and ends of political integration and cooperation in Europe still condition discussions about how to create formal institutional mechanisms for these purposes. These differences are still best described as “a tension between those who wanted a concert of sovereign nations expressing coordinated views on foreign policy questions, and those who wanted a common foreign policy as the expression of a European Union” (Nuttall 1992a: 2). Although EU states have slightly varied their positions on this question over the years, in general the smaller states (Belgium, Italy, Luxembourg, and the Netherlands) in the 1960s tended to fear any mechanisms for foreign policy cooperation that fell outside the original Treaty of Rome,<sup>2</sup> which could too easily be dominated by France and Germany (and the UK, once it joined), and which could damage relations with the US and NATO.

<sup>2</sup> The Treaty of Rome linked the European Coal and Steel Community, the European Atomic Community, and the European Economic Community. Following common usage, I refer to these communities collectively as the European Community, or EC, when the narrative requires.

The French, however, persisted in efforts to achieve an independent voice in world politics for the EU, but such efforts had to be pursued only on their terms. However, in one of the great ironies of European integration, French plans for a European Defense Community (EDC, or the “Pleven Plan”), embedded in a “European Political Community” modeled along EC lines, failed on August 29, 1954 after an unusual coalition of socialists and Gaullists in the French Assembly refused to ratify them.<sup>3</sup> The EDC, encouraged in part by the US as a mechanism to permit German rearmament in the face of the Korean War, was very ambitious. It was intended to enhance peace within Europe through military integration, to defend Western Europe against the Soviet threat, and to help Europe build itself up as a “third power” to prevent the dominance of the US and the Soviet Union in world politics (Jopp 1997: 153). If the plan succeeded, French leadership of European political integration would be assured as Germany was in no position to contest French aims and the UK was not yet a member of the EU.

As a result of the EDC failure, and instead of a defense community closely linked to the EU, the UK extended the membership of its nascent Western European Union (WEU) project to include Germany and Italy. For the moment, it seemed that political integration and foreign/security policy cooperation were set aside as European institution-building focused on NATO, the European Communities, and, to a much lesser extent, the WEU. At the same time, the French, under President de Gaulle, were frustrated in their attempts to create a framework for political cooperation among themselves, the Americans, and the British. De Gaulle’s proposal for a three-power directorate was quickly opposed by Washington and London,<sup>4</sup> leading him to focus his efforts on Germany and other EU states.<sup>5</sup> Here the French suggested that EU governments hold informal quarterly meetings of their foreign ministers to discuss foreign policy issues, and agreement to do so was reached at Strasbourg in November 1959. Defense matters were avoided in these meetings, and the talks were primarily oriented toward European, not Atlantic, concerns.

Despite its limitations and the as-yet unresolved relationship with the US, this modest agreement provided the intergovernmental embryo of the Luxembourg Report a decade later. There also was broad recognition that efforts to integrate Europe economically would affect political relations as well. In fact, even at this time, some observers (influenced by realism)

<sup>3</sup> On the EDC see Fursdon 1980; the French vote is examined in Kanter 1970.

<sup>4</sup> This directorate would have made “joint decisions in all political questions affecting global security . . . and would draw up and, if necessary, implement strategic action plans, especially as regards the use of nuclear weapons” (Grosser 1980: 304).

<sup>5</sup> For details, see Menon, Forster, and Wallace 1992.

suggested that economic integration could cause “reverse spillover” in political relations, leading to European disunity rather than unity. Given the American security guarantee for Europe, and the growing view that the use of military force between EU states was no longer a viable policy option, Europeans would be free to pursue their own national interests at the expense of economic integration.<sup>6</sup> However, as will be seen later in this study, EPC originally was intended to prevent such disunity and it proved extremely successful in achieving this goal.

Still, discussions in this Strasbourg framework rarely led to coordinated action, as we might expect of such an untried, barely institutionalized forum. During their first series of quarterly meetings, EU foreign ministers discussed key issues such as the 1960 Congo crisis, but they did nothing concrete about this or any other issue. The limitations of this consultation mechanism led de Gaulle to seek and win the support of German chancellor Konrad Adenauer for his proposals concerning a political union largely based on intergovernmental summits supported by a permanent political secretariat in Paris. However, small EU states, led by the Dutch, continued to oppose any “Political Committee” or permanent secretariat, particularly one dominated by France and/or Germany, if such an organization threatened to undermine the existing EC organizations or procedures which had taken so much effort to establish, and which were still somewhat fragile.

Instead, ideas for a loose intergovernmental procedure to support political integration, one which enjoyed no permanent organizational support, were developed. Toward this end, France called for a conference of EU heads of state and government (and foreign ministers) in Paris on February 10–11, 1961. At this first conference, participants explicitly agreed to “discover suitable means of organizing closer political cooperation” as a basis for “a progressively developing union” among the Six. The vehicle for this effort was a study commission led by Danish foreign minister Christian Fouchet, which made a series of proposals (the so-called “Fouchet Plans”) centered on the idea of a new “council of heads of state or government” with powers to “harmonize, coordinate, and unify the foreign, economic, cultural, and defense policies of the Six” (Allen and Wallace 1982). Once again the small EU states, this time led by Belgium, blocked the proposals. Although the Fouchet Plans were revised and reconsidered in their details, EU states still could not seem to reconcile the general impasse between intergovernmental and supranational visions of political cooperation. At the same time, the US and the UK,

<sup>6</sup> Hoffman (1965, 1966) has been a leading proponent of this view. His skepticism has persisted after the Maastricht Treaty and the CFSP; see Hoffman 2000.

in de Gaulle's view, were unfairly dominating all defense issues through the Atlantic alliance, which led him to veto the UK's application for EU membership and to pursue closer Franco-German cooperation instead.<sup>7</sup>

The instrument for this cooperation was the Franco-German Treaty of Cooperation (Elysée Treaty) of January 22, 1963, which established twice-yearly meetings of French and German heads of government and quarterly meetings of foreign ministers to promote cooperation in foreign policy, defense, and culture.<sup>8</sup> But Germany required a concession for including defense issues in this Treaty: it insisted that the Treaty include an explicit reference to cooperation in the framework of the Atlantic alliance. The way Germany effectively blocked a wholly independent European defense policy while affirming its commitment to the EU in general, and to the Franco-German partnership in particular, has since become a constant theme in the story of European foreign policy. However, despite Germany's reservations, the Elysée Treaty was successful in improving Franco-German cooperation, and its functioning provided some useful lessons during the formative years of EPC ten years later. Still, as France could find no support in Europe for a defense policy more independent of the Atlantic alliance, and the French were not yet willing to consider any form of foreign policy cooperation that excluded defense issues, European foreign policy beyond the Franco-German relationship stalled for the rest of the decade.<sup>9</sup> In addition, the defense provisions of the Elysée Treaty were never implemented and France pulled out of NATO's integrated command structure in 1965 in order to pursue its own course in this area.

The idea of institutionalized foreign policy cooperation gained new momentum only a few years later, when events exogenous to the conduct of foreign policy led EU governments to rethink their attitudes. In particular, the growing prospect of the first enlargement of the EU in the late 1960s, and the beginning of the final stage of the Common Market project, led the EU heads of government to agree "to study the possibility of gradually tightening their political links through methods and procedures relevant to their experiences and circumstances."<sup>10</sup> Yet the

<sup>7</sup> For a more detailed analysis of the Fouchet problems, see Bodenheimer 1967: 27–40.

<sup>8</sup> Italy was to have been included in this initiative but the Italians felt they would have been dominated by the other two larger states. For details on this Treaty, see Wallace 1986.

<sup>9</sup> Of course, most EU states had some form of institutionalized bilateral contacts with other EU states and with non-EU states. These usually involved regular intergovernmental summits, and some (such as the British–German relationship) involved political or defense issues. However, these relationships were not as central to the creation of EPC as the Franco-German partnership, thus I do not analyze them here.

<sup>10</sup> Decided at a meeting in May 1967 to celebrate the tenth anniversary of the Treaty of Rome; see Johnston 1994: 5.

gap between these ambitions and the actual level of policy coordination among EU states seemed wider than ever before when the EU failed even to discuss the Six-Day War only a month later. It was not until de Gaulle left office in April 1969 that a new debate about institutionalized EU foreign policy cooperation could begin, as France became more eager to reach agreement on other pressing issues, such as securing permanent financing for the Common Agricultural Policy, which greatly benefited French farmers. At The Hague summit on December 2, 1969, EU heads of government or state finally declared they were ready to pave the way “for a united Europe capable of assuming its responsibilities in the world of tomorrow and of making a contribution commensurate with its tradition and its mission.” Toward this end, EU foreign ministers were directed to “study the best way of achieving progress in the matter of political unification, within the context of enlargement.”<sup>11</sup> In other words, foreign ministers were not directed to create institutions for foreign policy cooperation, only to consider the matter of “political unification,” a term not defined in the instructions.

The EU foreign ministers in turn passed on their instructions to the Political Directors of the Six foreign ministries. These officials, not the EU foreign ministers, largely drafted the Luxembourg (or Davignon) Report,<sup>12</sup> which created European Political Cooperation (de la Serre and Defarges 1983). According to one participant in the negotiations, the legacy of the failed EDC and of the failed Fouchet Plans weighed heavily on the deliberations.<sup>13</sup> The negotiators did not want to reopen those dead-end debates and they were determined to find some way of satisfying both intergovernmental and supranational visions of “political unification.” In addition, they were aware that enlargement might create a division between old and new member states, and the admission of another major nuclear power and permanent UN Security Council member (the UK), with its own vast network of foreign relationships (including a “special relationship” with the US) and a great capacity for independent action in foreign affairs, threatened to undermine what little political cohesion among the Six already existed. Moreover, French leadership was in short supply with the political unrest in that country in the aftermath of de Gaulle’s exit from office. Germany, as well, was not yet ready to assume

<sup>11</sup> Unless otherwise noted, quotes from summits, EPC reports, and documents come from the documents collection *European Political Cooperation*, 5th ed. (Bonn: Press and Information Service of the Federal Republic of Germany, 1988). The Hague summit quotes are on p. 14.

<sup>12</sup> Official title: “The First Report of the Foreign Ministers to the Heads of State and Government of the Member States of the European Community, 27 October 1970.” Hereafter “Luxembourg Report.”

<sup>13</sup> Interview with a Luxembourg Report negotiator, 1996.

more leadership in the EU and take charge of the negotiations, while the US was still generally hostile to the idea of a more politically independent EU and did not play a constructive role in the debate.

Yet EPC *was* successfully established in this difficult political climate, mainly because opportunities for self-interested bargaining existed at the time. Although the Luxembourg Report committee was headed by a Belgian, Etienne Davignon, all participants were aware of the need to satisfy French concerns. France still hoped that European political unification could be used to formulate a policy more independent of the US, but it also required that EPC be kept intergovernmental, which meant that the Commission and the European Parliament (EP) had to be kept on a tight leash or, better still, excluded from the matter entirely. Germany and the Netherlands essentially gave in to these demands in exchange for the enlargement of the EU.<sup>14</sup> EPC thus succeeded because it avoided the problems that had doomed the first two attempts at cooperation: it was neither supranational/federal (like the EDC) nor wholly intergovernmental and separate from the EC (like the Fouchet Plans) (Nuttall 1992a: 30). In the end, the Luxembourg Report indeed had something for everyone: the UK used it to show its commitment to greater Europe as a new member of the EU; France used it to maintain an element of government control over the process of European integration and to distinguish European (e.g., French) policies from those of the US; and Germany thought it could be a way to promote *Ostpolitik* and help bridge the gap between East and West, while possibly making a more active German foreign policy more acceptable to its EU partners. Finally, the smaller states appreciated how the enlargement of the EU might ultimately help dilute the influence of France and Germany.<sup>15</sup>

However, although EPC's framework was intergovernmental, many participants (especially the smaller states) also expected EPC and the EC to become linked over time. In Belgium, for example, the government attempted to sell the plan to the national parliament (even though it did not require ratification) by emphasizing that the EC and EPC would eventually be brought closer together. As the Belgian foreign minister argued: "The [Luxembourg] Report viewed the Community as the kernel of European development; relations would be established with the [European] Parliament and the Commission . . . The perspectives of the

<sup>14</sup> In the words of Dutch foreign minister Joseph Luns, "For several years now the Netherlands has considered that should Great Britain join the Common Market it would be necessary to accept in Europe political cooperation more or less reflecting the views outlined in the second Fouchet Plan." Cited in Johnston 1994: 7.

<sup>15</sup> On the compromises of the Luxembourg Report, see Allen and Wallace 1982: 27–29.



Davignon [Luxembourg] Report are not the same [as the Fouchet Plan] and its underlying philosophy is clearly distinct.”<sup>16</sup>

In addition, although most EU states found something in EPC they could support, it is not quite proper to speak of a clear demand for foreign policy cooperation among them at this time. Above all, EPC appeared to be a weak commitment to placate France in order to get on with pressing EU business after the shameful impasse of the 1960s. EU member states essentially agreed to disagree on the means and ends of EPC, and on its relationship to the EC. Especially during the economic difficulties of the times, and in light of perceptions of American inattentiveness (if not hostility) to European problems in the context of the Vietnam War, all EU member states recognized that radically different national foreign policy positions could harm the EC, its policies, and relations between its members and between it and the outside world. The prospect of the EU's first enlargement greatly intensified these concerns and thus provided the key institutional moment that resulted in the creation of EPC.

### **The institutional structure of EPC**

The modest provisions of the Luxembourg Report revealed little of the nearly two decades of heated debate which had preceded it, but they clearly reflected the EU's acceptance of the intergovernmental vision of political unification. Most obviously, EPC was provided with a bare minimum of institutional support. Indeed, in view of the origins, original structure, and goals of EPC, it is probably an exaggeration to consider it as an institution or even as a specific issue-area. Since member states agreed only on the need for some small, even symbolic, measure of foreign policy coordination, the institutional structure of EPC reflected the fact that governments would dominate and define any such coordination and that it would be separate from EC policies and procedures. Small EU states which wanted EPC to be subject to the same supranational processes of the EC were seduced with the hopes that EPC would eventually be integrated into the Community; large states which opposed this (chiefly France and the UK) were confident they could prevent excessive or unwanted involvement by the Community. Germany and the Netherlands became the most vocal opponents of a rigid distinction between EPC and EC affairs, as did the EP, but in the beginning these actors had to accept the views of France and the UK.

<sup>16</sup> Cited in Franck 1983: 89.

With the Luxembourg Report, then, EPC was endorsed by the EU foreign ministers to achieve an indeterminate set of ends, in parallel with the goals of the existing EC treaties:

- (1) To ensure, through regular exchanges of information and consultations, a better mutual understanding on the great international problems.
- (2) To strengthen their solidarity by promoting the harmonization of their views, the coordination of their positions, and where it appears possible or desirable, common actions.<sup>17</sup>

Under this framework, EU foreign ministers were to meet at least twice a year to discuss “great international problems,” a phrase vague enough “to promise everything or nothing,” according to some observers (Allen and Wallace 1982: 25). If a “grave crisis or matter of particular urgency” arose, a meeting of foreign ministers could be convened between the biannual colloquies.<sup>18</sup> The idea of a *common* foreign policy, mentioned in previous proposals in this area, was conspicuously omitted in the Luxembourg Report. The possibility of discussing defense issues was avoided as well, which placated the EU states fearful of interfering with NATO (such as Denmark, Germany, the Netherlands, and the UK) and the new neutral EU member state, Ireland.

Moreover, instead of specifying (or even suggesting) appropriate topics for discussion, the Report referred only to “cooperation in the sphere of foreign policy.”<sup>19</sup> By agreeing to “consult on all questions of foreign policy” during these summits,<sup>20</sup> EU states held hopes of at least determining common interests and, if possible, coordinating their foreign policy positions and taking common actions. However, there were no specific decision-making mechanisms for producing such positions and actions, and the actual institutional innovations of the Luxembourg Report were few. Directly below the level of foreign ministers, coordination was to be achieved through regular meetings of a *Political Committee* composed of national Political Directors from member state foreign ministries. In the UK the role of a Political Director had to be created for EPC; this was one small early example of the impact of EPC on the domestic political systems of its member states. The Political Committee was to meet at least four times a year to prepare ministerial meetings and to carry out tasks delegated to them by the foreign ministers. It was also permitted

<sup>17</sup> Luxembourg Report, Part II, Section 1. This Report is also known as the Davignon Report (and EPC was also known as the Davignon Procedure), after Viscount Etienne Davignon, the Belgian Political Director who chaired the meeting of the committee which created EPC.

<sup>18</sup> Luxembourg Report, Part II, Section 2.

<sup>19</sup> Luxembourg Report, Part II. <sup>20</sup> Luxembourg Report, Part II, Section 4.

to set up working groups to consider specific problems, but the Luxembourg Report did not indicate what problems should be considered or how such working groups should be staffed and organized. Finally, the Report recommended that each foreign ministry designate a liaison official to manage EPC on a daily basis in the absence of a secretariat. Although the Luxembourg Report did not designate them as such, these officials later became known as “European Correspondents.”

In addition to its spare institutional structure and focus on national foreign ministries, the Luxembourg Report was also noteworthy for the way it limited the involvement of EC procedures and organizations in EPC. As we shall see in Chapter 6, the European Commission, which enjoys the right to initiate all EC legislation, clearly was marginalized in EPC. It could be “invited to make known its views” only if the work of the foreign ministers in EPC affected the activities of the EC.<sup>21</sup> However, in the hopes of giving a “democratic character” to EPC, the Luxembourg Report explicitly recognized the political legitimacy of the EC by instituting an informal “biannual colloquy” between EU foreign ministers and members of the EP. The president in office of the EU was also directed to prepare an annual progress report on EPC and to communicate this report to the EP. These provisions gave the appearance that EPC had some popular legitimacy beyond the wishes of EU governments.<sup>22</sup> They also would soon make the EP a vocal advocate of policy and institutional changes in EPC/CFSP. The same cannot be said for the European Court of Justice (ECJ), however, which is not mentioned at all in the Luxembourg Report. Nor does the Report provide any other adjudication or dispute resolution mechanisms to take the place of the ECJ. It is probably safe to say that a tacit understanding among the Report’s negotiators made them feel it was unnecessary to consider the legal ramifications of EPC, since it was not a treaty and would not come under the supranational provisions of the Community.<sup>23</sup> It is also highly unlikely that the negotiators would have reached agreement on the Report had they attempted to frame their discussions in terms of legal obligations.

The Luxembourg Report did, however, include provisions for further institutional change, a pattern which has persisted in most agreements concerning EU foreign policy. EU foreign ministers agreed to “pursue their study on the best way of achieving progress in the field of political unification,” and to produce a second report on the subject only two years after the Luxembourg Report entered into effect. This report

<sup>21</sup> Luxembourg Report, Part II, Section 5.      <sup>22</sup> Luxembourg Report, Part II, Section 6.

<sup>23</sup> Interview with a Luxembourg Report negotiator, Brussels, 1996.

would assess the results of EPC, consider methods for improving the mechanism, and search for other fields where such cooperation could be extended. The study was also expected to take into account related developments in the Community. Toward this end the foreign ministers directed the Political Committee to prepare summary reports on EPC at the end of each biannual ministerial meeting.<sup>24</sup> With this key provision for self-monitoring and evaluation the seeds for additional institutional change, in the form of the 1972 Paris summit and the 1973 Copenhagen Report, were thus sown.

Finally, the concluding section (Part IV) of the Luxembourg Report mentioned the “correlation” between EC and EPC activities in order to clarify the obligations of membership in EC/EPC to the applicant countries at the time (Denmark, Ireland, Norway, and the UK). The Report specified that the applicant countries were expected to adhere to the EPC procedures it outlined once they became full members of the EC. This was hardly a demanding obligation, considering how loose and vague EPC procedures were at the time. Still, this requirement is novel in that EPC existed entirely outside the framework of the Community and was not a treaty; thus EPC participation could have been rejected by the applicant states. This did not happen, of course (excepting Norway’s rejection of EC/EPC membership), and the Report helpfully provided ways to facilitate participation in EPC by the applicants as “observers” prior to their full accession to the Community.<sup>25</sup> This effort also reflects two important, and fundamental, early norms of foreign policy cooperation: that the EC and EPC, despite their distinct rules, were considered two means to a single end (European integration), and that all new EU member states must agree to participate in both of these institutions of integration.

The main features of EPC under the provisions of the Luxembourg Report are summarized in Table 3.1. These elements provide a reference point against which we can measure future changes in the system.

As an institution to promote cooperation, the Luxembourg Report is probably far more noteworthy for what it omitted. As Morrow (among others) has argued (1994), effective institutions must solve at least four problems: sanctions, monitoring, the distribution of benefits, and the sharing of information. EPC involved almost none of these elements at first; only the provision to hold meetings to consult on foreign policy could possibly be seen as a mechanism to share information. EPC also

<sup>24</sup> Luxembourg Report, Part III.

<sup>25</sup> The formal Act of Accession was signed on January 22, 1972; the applicant states were permitted full participation in EPC discussions at every level after that point (Allen and Wallace 1982: 25).

Table 3.1 *EPC according to the Luxembourg Report (October 1970)*

Component	Actors and functions
Intergovernmental direction	EU foreign ministers meet at least twice a year. EU presidency chairs EPC meetings and provides administrative support as needed. Crisis procedures initiated by EU presidency if necessary.
Transgovernmental support	Political Committee: preparation of ministerial meetings. Meets at least four times a year. European Correspondents: liaison between capitals. Working groups: geographical/functional analyses for EPC.
Linkages with the EC	Commission invited to make known its views on EPC. Biannual colloquy with EP Political Committee, and annual report on progress on EPC.
Obligations	States consult on all questions of foreign policy.

was not linked to the EC, not supported by any permanent institution or bureaucracy (although one was considered during the Luxembourg Report negotiations), and not even negotiated nor ratified as a treaty. Its agreements were rarely open to public scrutiny or approval, public opinion was unaware or uninterested in EPC, and there were no access points to relevant policymakers.<sup>26</sup> EPC also had no permanent budget, finances, or staff for many years; no fixed meeting place; no secretariat-general or other chief official; and no designated subjects to form a starting point for discussions. It had no compliance standards, record-keeping system, legal obligations, or enforcement mechanisms to speak of, and it formally required little more than a pledge (not a legal obligation) among EU states to consult with each other and to coordinate their foreign policies if possible.<sup>27</sup> It was little more than “a private club, operated by diplomats for diplomats” (Nuttall 1992a: 11), subject to the goodwill of its members, run strictly by consensus, and largely closed to outside scrutiny.

Additionally, EPC’s administrative infrastructure was centered in the foreign ministries of its member states, and did not include other ministries involved in EC affairs (agriculture, finance, interior, and so on). The “low politics” of EC affairs was handled by the economics or EC section in most foreign ministries (notably those of France and Germany, among others); EPC was “high politics” handled by the political section. Finally, EPC’s three most important founding documents between 1970

<sup>26</sup> As Hill noted (1983a: 188) after ten years of EPC, “public opinion within the member states [was] sadly ill-informed about and remote from EPC.”

<sup>27</sup> This description is broadly based on Wessels 1982; Wallace 1983a; Ginsberg 1989; Nuttall 1992a; and author interviews with former EPC officials, Brussels, 1995–96.

and 1981 (the Luxembourg, Copenhagen, and London Reports) did not have treaty status and were not submitted to national parliaments for ratification. In short, for states which preferred to cooperate informally, EPC exhibited all the requisite characteristics: states avoided explicit, formal, visible pledges; their agreements were not ratified; they could quickly change or renegotiate their commitments according to circumstances; and they could use and develop (or abolish) the system as quickly or as slowly as they desired.<sup>28</sup> Indeed, if EU states had insisted on defining explicit policy goals or a firm end point to the process (such as political integration or union), the system would never have left the negotiating table.

In the end, the Luxembourg Report depended on a rare confluence of events during the late 1960s. In particular, external factors helped create an environment conducive to the intergovernmental bargain that resulted in EPC. These factors include the change of government in France, the failure of the EU to respond to a major external crisis (the Six-Day War), and the EU's first enlargement. Although these developments suggest a rational logic behind the creation of EPC, the key catalyst was French insistence on some form of political integration as their price for supporting enlargement. What they got, however, was hardly an ambitious, innovative approach to political integration: EPC was largely based on the Franco-German Elysée Treaty. However, French power or leadership does not wholly explain the final form of EPC, in particular its initial exclusion from the EC and the taboo against discussing defense issues. To explain these characteristics, we need to pay attention to the diplomats who actually negotiated the Luxembourg Report, and to the role of smaller EU states, if only for their ability to block certain French proposals (such as an EPC secretariat based in Paris, a *directoire* of large EU states, or the more general "intergovernmentalization" of the EU itself). Thus, we can see even at this early stage the important roles played by all four logics of institutionalization discussed in this volume: power (the leadership of France), functional (bargaining), appropriateness (changes in a related institution, the EC), and socialization (negotiators who copied and expanded certain elements of the Elysée Treaty). This is not to say, however, that intergovernmentalism is an entirely inappropriate theory. It does help explain the formation of EPC on the basis of a significant bargain in EU history, and it may be useful for explaining single episodes of cooperation. Yet it does leave out of the process many important factors which are better captured, over time, by an institutionalist (but not necessarily

<sup>28</sup> On the basic characteristics of an informal agreement to cooperate, see Lipson 1991: 501.

*supranational* institutionalist) perspective. Above all, intergovernmentalism does not explain how EPC changed over time, to become “less than supranational but more than intergovernmental” (Wessels 1982: 15).

More specifically, the real issue here is the extent to which the Luxembourg Report encouraged substantial European foreign policy cooperation and acted as a catalyst for additional institutional change, particularly in light of the assumptions of intergovernmental theory noted earlier in this volume. I take up these questions in the rest of this chapter.

### **The early performance of European Political Cooperation**

This section assesses EU foreign policy cooperation in terms of changes in the way EU states conducted their relations with each other (procedural changes) and in terms of specific collective outcomes (substantive changes). This is more than a theoretical distinction; as we shall see in Chapter 5, EU states themselves evaluated EPC in terms of intra-group relations and substantive EPC policies or decisions. In other words, discussions about procedure were always closely linked to those of substance. Especially when EPC deliberations or policies involved any element of economic policy, this invariably led to further debates about the proper role of the EC in that policy (Wallace and Allen 1977). Still, while recognizing that procedures and substance were closely linked, we can make some tentative judgments about the relative performance of these two elements of EPC. I begin with procedural changes.

#### *Procedural changes*

To what extent did EPC help modify the general conduct of foreign policy among EU states? I began this chapter by suggesting that intergovernmental theories should be most relevant in situations where institutions do not exist, or exist only in a weak form. Although the utility of the intergovernmental model in understanding the EPC process diminished over the years, in the beginning it was not very far off the mark. To help organize my assessment of changes of process in EPC, I focus on two major areas: developments at each level of collective action (governmental or ministerial, at the Political Committee/European Correspondent level, and at the level of working groups), and the growth of linkages between business conducted in EPC and that conducted in the Community.

At the ministerial level, the first task was to set the agenda of EPC. After all the heated debates surrounding the Luxembourg Report, its architects were not encouraged at its prospects. It could not even be

assumed that regular meetings actually would take place. With such a weak institutional structure, EPC inevitably developed on a trial-and-error, case-by-case basis. As Nuttall put it (1992a: 4), “There was no grand design [of EPC]; rather the way in which EPC reacted to events determined the type of organization it became.” He further notes the absence of ground rules and the climate of uncertainty surrounding that first meeting of foreign ministers in Munich on November 19, 1970, barely a month after the adoption of the Luxembourg Report:

The Ministers had never met before in that format; they were not certain what they were supposed to achieve nor in what conventions they would be operating; there had been some preparatory work for the meeting, but not the full-blown, professional preparation of the agenda which the Political Committee was to develop in later years. The setting of the agenda was by no means self-evident. (Nuttall 1992a: 55)

Also, and as intergovernmentalism might predict, the first two major topics discussed in this doubtful setting (the Middle East and East–West relations) generally reflected the interests of the more powerful states within EPC: France and Germany. These important early initiatives will be explored in more detail below.

While efforts at the level of foreign ministers were fairly tentative, the Political Committee rapidly became a driving force behind EPC. Meeting on a regular basis in the capital of the country holding the EU presidency, this group enjoyed the benefits of regular consultation on foreign affairs. EPC generally allowed foreign ministries (particularly the Political Directors) to play a much stronger role, although perhaps indirectly, in European affairs than before, after having been marginalized by other domestic ministries involved in EC business. As Hill put it:

EPC is good for foreign ministries, and foreign ministries good for EPC . . . Accordingly, the Foreign Ministry in every country (with the possible exceptions of France and Greece) has become a powerful internal lobby for the benefits of common external policies, on the grounds of both international effectiveness and the stimulus given to general cooperation within the Community. (Hill 1983a: 189)

Indeed, EPC participants at this level recall a high degree of eagerness and enthusiasm when the project was started.<sup>29</sup> In addition to the possibility of influencing European policy, one also should not dismiss a natural bureaucratic tendency to expand an agency’s functions and status. For example, in France, EPC was “warmly welcomed” by the Political Directorate of the Quai d’Orsay, according to de la Serre and Defarges; thus

<sup>29</sup> Interviews with EPC participants, Brussels, 1995–96.



“EPC made it possible for this directorate to participate in the construction of Europe” after having been overshadowed in Community affairs by the Economic Directorate of the French foreign ministry (de la Serre and Defarges 1983: 62). In Italy, the establishment of EPC “marked the beginning of a new moment of glory” for the Political Affairs Directorate (Bonvicini 1983: 74). Finally, EPC in general allowed foreign ministries/Political Directors to reassert themselves as the primary “gatekeepers” between national policies and international cooperation, an important function that had been increasingly threatened by the growth of the EC (Allen and Wallace 1982: 29).

Since membership of the Political Committee was fairly stable, it quickly began to develop its own *esprit de corps*. According to EPC insiders, the atmosphere in the Committee was “friendly, almost casual,” quite unlike the “stiff formality” of the EC’s own COREPER, which prepared meetings concerning EC business for the Council of Ministers.<sup>30</sup> This body also had the authority to forge consensus and compromises, which could then be defended to governments back home. With this very positive atmosphere, the group began to meet more often than the four times a year mandated by the Luxembourg Report; in fact, it met nine times during 1972.<sup>31</sup> Similarly, the European Correspondents also threw themselves into EPC; in addition to liaison, their tasks included handling EPC procedural matters, organizing the EPC dossiers within their respective foreign ministries, preparing the draft conclusions for ministerial and Political Committee meetings, and managing the EPC aspects of the rotating EU presidency. However, while the Correspondents were important for bridging the gap between economic and political directorates in foreign ministries, they became neither a “mobile secretariat” nor a true working group (Bonvicini 1982: 38). The problems involved in managing this gap without a permanent organization would create pressures for institutional change as the agenda of EPC expanded.

Instead, most analytical and preparatory work in EPC took place in the working groups organized around substantive policy areas. In the first two years after the Luxembourg Report, fully twenty EPC working groups were established, a remarkable display of organizational energy for such an untried framework. These groups dealt with geographic regions (Africa, Asia, the Mediterranean, the Middle East, Latin America, and Eastern Europe), substantive issues (the CSCE, the UN, and the UN-disarmament process), and particular functions (heads of protocol, heads

<sup>30</sup> Nuttall 1992a: 17. Also interviews with EPC participants, Brussels, 1995–96.

<sup>31</sup> “Results Obtained from European Political Cooperation on Foreign Policy,” annex to the Copenhagen Report, July 23, 1973.

of communications, and senior civil servants from justice ministries, who dealt with legal cooperation). Working groups reported to the Political Committee and operated on the basis of a mandate from the Committee; however, they quickly adopted the practice of exchanging views under the heading of “other business,” which allowed EPC to expand quietly into new areas not specified by the Political Committee (da Fonseca-Wollheim 1981: 4–5). The groups were usually staffed at the level of heads of department, and they met a bit more often during each EU presidency than groups at higher levels in EPC. Until 1986, when they moved to the new EPC Secretariat after the Single European Act, the working groups met in national capitals as a self-contained traveling EPC administration.

The main function of the working groups was to exchange information and arrive at common analyses, then identify and recommend options to the Political Committee. Working groups could not take decisions themselves, however, as they did not have the authority to make compromises at that level. Instead, an informal practice soon developed whereby proceedings of working groups were summarized in an “oral report,” which was actually written. The report was drafted by each EU presidency, and did not require a consensus to approve it. In addition, working groups demonstrated “a natural tendency to turn themselves into management committees for the execution of policy,” which somewhat undermined both the Political Directors and the Commission (Nuttall 1988: 108, 1992a: 16–18). Even in this loose framework, disputes over the division of labor among these actors, whether actual or potential, were a key feature of EU foreign policy from the start and have remained a point of contention ever since. Such disputes also created pressures for new rules to govern this increasingly complex system.

Finally, in terms of linkages between EPC and the EC, the external economic and political relations of the EC were superficially compartmentalized. At this time, EPC’s provisions suggested dominance by governments and the exclusion of the EC’s actors and procedures. EPC had different ground rules, working methods, policy issues, legal foundations, instruments for action, timetables, venues for meetings, and even working languages (English and French only below ministerial level), which together created a new EPC political culture. The division between those domains was sacrosanct for several member states, such as France, to the consternation of others (Germany and the Netherlands in particular).<sup>32</sup> In the beginning, governments went to absurd lengths (such as changing meeting places when discussions of EC affairs gave way to EPC matters)

<sup>32</sup> The Danes were an exception to this tendency, proposing instead that foreign policy cooperation be subject to the national parliaments rather than governments, keeping in line with their constitutional provisions for foreign policymaking.

to emphasize that EC and EPC procedures were separate. In one notorious episode in November 1973, this distinction even led EU foreign ministers to fly from Copenhagen to Brussels on the same day to emphasize a shift from the EC agenda to the EPC agenda (Wallace 1983a: 381). Terminology was also important here: in EPC, foreign ministers met as the “Conference of Foreign Ministers of the EEC Countries”; in the EC, they met as the “Council of Ministers.” Political Directors in national capitals also had little or no contact with COREPER in Brussels, although they certainly were accustomed to multilateral cooperation in other forums like NATO.<sup>33</sup>

To some extent, then, the French were successful in maintaining the separation between the EC and EPC at this early stage, as there was not yet enough consensus to permit the Commission a greater role in this domain than that specified by the Luxembourg Report. Nor was the Commission willing to lobby for a more active role in EPC at this time. However, EU states could not escape the fact that some discussion of global economic issues would be inevitable in EPC, and that the Commission should be involved on a more consistent basis than formally allowed in the Luxembourg Report. For example, the CSCE process and the general discussion of East–West relations were stimulated by the fact that individual trade policies of EU states toward Eastern Europe were due to end by December 31, 1972, when trade was to become an exclusive EC competency. As trade policy is a key tool in foreign relations, this deadline provided a convenient procedural reason for the EC to formulate a common approach to the East in both economic and political terms (Nuttall 1992a: 58). Thus the Commission was reluctantly permitted to participate in certain meetings concerning East–West relations and what came to be the Euro-Arab Dialogue. EPC also held its regular colloquies with the EP, and it made the required annual report to the Parliament on progress toward political unification. After two years, another informal procedure was added whereby the EU presidency informed the EP Political Committee ahead of time as to the upcoming topics for discussion. This allowed the EP to prepare itself better to ask questions about EPC, which eventually led to an enhanced change of views between the two entities. Yet parliamentary involvement in EPC at this early stage, in terms of either policy substance or institutional reform, was still severely limited.

To summarize, even though EPC was supposed to be an informal, flexible system, dominated by member states and kept separate from the

<sup>33</sup> Wallace and Allen 1977: 231. COREPER is the Committee of Permanent Representatives (i.e., member state ambassadors) to the EU. The separation between the Political Committee and COREPER would persist for nearly twenty years.

EC, we can observe some small violations of these intergovernmental provisions even in the beginning. The institutionalization of the mechanism began as soon as skilled national officials began meeting within the framework of EPC on a regular basis. Three developments in EPC are important at this point.

First and most generally, these officials quickly looked to the EC model to organize their work on foreign policy. In other words,

the character of political cooperation as it developed came to resemble closely that of policy-making in many areas within the competencies of the Treaties. The Political Committee, like COREPER, prepared the agenda for ministerial meetings; like COREPER and the Commission, it spawned subcommittees and working groups on specific topics. Although political cooperation was not constrained by the legal framework of the Treaties, its working methods were similar to the process of *concertation* used to coordinate other areas of policy not yet subsumed to the authority of the Commission. (Wallace and Allen 1977: 232)

Although EPC was far more confidential than other areas of *concertation*, this tendency to imitate policymaking in other EC areas reflects a key insight of institutional theory: since innovation is often costly (especially when it fails), institutions tend toward isomorphism or imitation. This tendency is perhaps most pronounced in situations of high uncertainty where the environment is complex and changing. Actors rarely devise international institutions out of thin air; they look to existing models to organize their behavior in new areas. For EPC, the Community became that model. This early procedural imitation – and a more general recognition that both the EC and EPC served European integration – helped bring the two domains closer together over time despite the intergovernmental intentions behind the Luxembourg Report.

Second, and far more importantly, governments (in the form of chief executives or foreign ministers) did not dominate EPC, nor did its key officials (Political Directors and European Correspondents) use EPC as a forum for bargaining over policy. Indeed, here bargaining appears to be the exception, not the rule. Even in the beginning, the EPC system was not considered a forum for making side-payments, threatening sanctions, or linking issues into broad package deals. Such deals, of course, regularly occur in other EC policy sectors or during intergovernmental conferences, but they did not take place in EPC. Thus we cannot consider EPC as a mechanism to solve incomplete contracting problems so that states could further their own interests by trading favors. EU member states simply were not that ambitious, and they likely viewed EPC as a mere talking shop (at least at first) rather than a real policymaking forum. According to most accounts of the EPC process cited in this volume, and

according to numerous interviews with participants, it was most inappropriate to use overt hard-bargaining tactics to make policy in EPC. Its officials honestly attempted to avoid power politics and stark confrontations during EPC discussions. They seemed genuinely willing, by virtue of their status as both professional foreign policy experts and participants in the construction of "Europe," to attempt to forge a consensus about common European interests based on the strength of argument alone.<sup>34</sup> As a result, it is problematic to rely exclusively on intergovernmental theory to explain EPC even at its early stages because of this theory's primary focus on grand bargains at the expense of day-to-day policymaking. Most history-making reforms of the EU are controlled by governments and require treaty revision, but normal policymaking is conducted in a variety of arenas that also deserve our attention (Peterson 1995). As I shall explain further in Chapters 4 and 5, through the use of informal then formal institutional mechanisms EPC clearly tended towards a "problem-solving," not bargaining, style of decision-making. Even during difficult discussions over the imposition of sanctions for political ends, officials usually avoided bargaining.<sup>35</sup>

Third, it is also necessary to look beyond written instruments and examine the informal customs and procedures that encourage cooperation. In fact, right from the beginning EPC started to develop beyond the spare provisions outlined in the Luxembourg Report. Meetings were held more frequently than required, other transgovernmental links were established to improve the mechanism, new norms were devised to improve its functioning, and EPC's responsibilities soon involved higher stakes and new issues. For example, where working groups were not established, other meetings of national experts took place on issues such as cooperation in the event of national disasters. Ambassadors of the Nine in the capitals of EU states began to discuss foreign policy issues of particular interest to them, and each of their embassies appointed a diplomat whose duty was to maintain contact with the foreign ministry in the country of residence on matters concerning European foreign policy. In another

<sup>34</sup> For an extended discussion of the role of argument in collective decision-making, see Risse 2000.

<sup>35</sup> Interviews with former EPC officials, Brussels, 1996. Conversely, Martin (1992) has argued that EU states did make a bargain on at least one occasion: the Falkland Islands crisis. Nuttall (among others) rejects this interpretation: "It is going too far to suggest that a link between the price decisions [on annual EC agricultural prices] and the Falklands sanctions was ever established, but it is certainly the case that the climate of sympathy for the United Kingdom which had been created by the Argentinian invasion was in the process of being dissipated by the feeling that in the eyes of Whitehall Community solidarity was a one-way street" (Nuttall 1992: 212). I shall return to this episode in Chapter 5.

important change, EPC also gradually replaced the Western European Union as the key forum where EU states could coordinate their positions at the UN General Assembly, the UN Economic and Social Council, and the UN Food and Agricultural Organization.<sup>36</sup> And since the EPC agenda was not set down in the Luxembourg Report, nor was it affected by domestic interest groups, national officials had a fair amount of leeway regarding the types of issues they could discuss, even if no specific action or decision on those issues was forthcoming. The privileged status of foreign ministries in EPC, combined with the initial tendency toward problem-solving and the first tentative links between EPC and the EC, would fundamentally affect the institutionalization of European foreign policy.

#### *Substantive EPC outcomes*

As the previous discussion indicates, the first few years of EPC were pre-occupied by the familiarization of EU member states with each other's views on foreign policy, by debates over procedural matters, and, to a lesser extent, by discussions about the appropriate ends of EPC. Thus at this stage we would not expect any drastic expansion of EPC in terms of its agenda or its policy tools. Yet the agenda at the first meeting was fairly substantial considering the uncertainty surrounding the establishment of EPC. Items discussed at the first meeting involved aid to Pakistan, relations between Cuba and the US, the representation of China in international financial institutions, the political aspects of the Mutual and Balanced Force Reduction talks (MBFR), and the future role of the Council of Europe. To deal with this last question, the Nine agreed to strengthen their coordination at the Council of Europe headquarters in Strasbourg (Nuttall 1992a: 69), and we can also see that a question of security (the MBFR talks) was tentatively broached even at the first meeting although this would prove a contentious issue for years to come. EPC also began moves toward a common policy in the Mediterranean, though with very limited results. Suggestions for a conference of the Mediterranean non-aligned countries and links with CSCE talks did not go very far. However, EPC did manage to establish a Mediterranean working group by early 1972. At this time it was charged with conducting only a series of geographical studies (Ginsberg 1989: Chapter 5).

EPC also had very few policy tools at its disposal at this time, so we cannot evaluate its performance in terms of specific external actions.

<sup>36</sup> "Results Obtained from European Political Cooperation on Foreign Policy," annex to the Copenhagen Report, July 23, 1973.

Informal coordination at the UN began in 1971, but the fact that the Federal Republic of Germany was not a full member of the UN until September 1973 prevented more substantial efforts along these lines. Also discouraging (but not unexpected) was the fact that no major EPC declarations were produced between 1970 and 1973. Finally, above all there was no chance of using EC instruments or competencies to support EPC at this time; such actions could not even be considered. Thus, the only real external expressions of EPC at the time were occasional diplomatic *démarches* in third countries (i.e., non-EU member states) or international organizations; these were carried out by the ambassador of the state holding the EU presidency. Again, most EPC efforts at this time were directed toward internal cohesion rather than external action.

The Cold War and the overwhelming dominance of NATO in European security affairs during these years probably created an incentive to avoid even the appearance of undermining the Atlantic alliance vis-à-vis the Soviet Union. Since the EC was focused on creating institutions related to commercial matters at this point, the political uses of such institutions could be only a peripheral concern. Given EPC's lack of firm leadership, policy tools, and compliance mechanisms, outcomes were as modest as we would expect. France dominated the emerging Euro-Arab discussions, and Germany pushed for talks regarding East-West relations as part of its move toward *Ostpolitik*. But these modest results and the difficult early years of EPC also stimulated EU states to think about institutional changes that might improve the effectiveness of EPC. A pattern of reform developed whereby problems were identified, options were suggested, and solutions were established informally and became customs. These customs then found their way into formal EPC reports and treaties. In addition, the rotating EU presidency gave smaller states a fairly equal role in the process, which invested EPC with a certain competitive dynamic as states took their turn at leading it. This tendency also challenges the idea that larger states dominated EPC, and the overall performance of the system is still quite remarkable when one considers that EPC was still little more than a gentleman's agreement at the time, with no legal basis at all.

A closer look at the Middle East and East-West relations, EPC's first major topics between November 1970 and July 1973, illustrates some of these early dynamics. With the Euro-Arab Dialogue, EPC's struggle for a common approach to the Middle East must be considered in the context of broader EU attempts to unify its stance toward a number of difficult but related issues in this region: energy policy, relations with former colonies, international development, industrial policy, EU-US relations, and Arab-Israeli violence. When EC/EPC made the first serious attempts to address

the problems of this region collectively, the complexity of the problems was matched only by the vast dissimilarity of EU member state positions. As we saw earlier, the EU was unable even to discuss the Six-Day War in 1967 not only because of dissimilarities in member state positions but because of a general feeling that it was inappropriate for an economic organization to take a common foreign policy position.

Yet at the very first EPC meeting in Munich the foreign ministers managed to agree to produce a joint paper on the Middle East. Toward this end, the second EPC ministerial meeting in May 1971 devoted an entire day to the subject (Allen 1982: 73). Despite the profound disagreements between pro-Arab and pro-Israeli EU states, EPC managed to approve a joint paper on key issues in this region on May 13, 1971. These involved the question of refugees, the proposed demilitarized zones on the border between Israel and Egypt, what forces should be deployed there, and the terribly difficult question of Jerusalem (Nuttall 1992a: 68). Although this position statement, the "Schumann document," innocuously called for a "just peace" in the Middle East and approved UN Security Council Resolution 242,<sup>37</sup> it was a clear step forward for EPC solidarity considering the EU's embarrassing inactivity after the 1967 war, and called for Israel's withdrawal to its 1967 borders (among other provisions). However, in a slight blow to the fragile EPC process, the document was soon leaked to the media even though it was not supposed to be made public, in deference to the wishes of Germany, Italy, and the Netherlands. The resulting uproar in Israel and Europe, particularly in Germany, undoubtedly revealed the risks that EU states assumed by virtue of their participation in EPC, even though common position statements had no legal force and EU states assumed they could strictly control the secrecy of the process. German foreign minister Walter Scheel, for example, had to quickly disavow the significance of the Schumann document, declaring it was only a "working document."<sup>38</sup>

Intergovernmentalism also dominated in the response of the EU foreign ministers to a memorandum from the European Commission calling for consultations with the Middle East countries, if only to protect the EU's vital energy supplies. The Commission also recommended providing EC aid for the economic and social development of the energy-exporting states in exchange for guarantees on oil prices and supplies (European Commission 1972). These proposals were to form the basis

<sup>37</sup> UN Security Council Resolution on the Situation in the Middle East, November 22, 1967. Among other things, this resolution calls for Israel to withdraw its forces from territories it occupied during the 1967 war and notes the need to solve the refugee (i.e., Palestinian) problem in the Middle East.

<sup>38</sup> For details on this early stage, see Allen 1978; Artner 1980; Allen 1982.



of the Euro-Arab Dialogue, but at the time no action was taken. And although the Middle East was discussed in the framework of EPC, and a working group of Middle East experts was established, EPC produced no more public statements until after the October 1973 Arab-Israeli War and the crippling oil crisis that followed (Allen 1978: 325). By this time, however, EU states were already considering another set of EPC institutional reforms; these will be examined in the next chapter.

EPC actions to improve Europe's position between the superpowers were considerably more successful than those directed toward the Middle East. In the beginning, these efforts took place within the framework of the Conference on Security and Cooperation in Europe. Formal CSCE negotiations were to begin in November 1972, giving EPC exactly two years to develop a coordinated approach to this issue. By most accounts, it was very successful in adopting a unified approach to what previously had been a series of uncoordinated bilateral discussions on East-West relations. This approach involved seven major areas for action: principles of international law (or "Basket I" of the final CSCE document), military security, matters concerning economics, science, technology, and the environment ("Basket II"), humanitarian questions ("Basket III"), information exchange, culture and education, and Mediterranean questions (von Groll 1982: 60-63). Here we can see the early tendency toward breaking down complex problems into functional issue-areas, if only to determine the division of labor between the EC and EPC. The most comprehensive of these efforts were explicitly linked to other relevant policies and institutions from the beginning, quickly demonstrating EPC's capacity to tie together disparate issues into single packages before attempting any resolution. Areas of Community competency were especially important given EPC's immaturity. These involved the relationship of Eastern European states to the EC, the possibility for improved cooperation between the two halves of Europe, the role of the UN Economic Commission for Europe in East-West relations, and an assessment of Eastern bloc positions concerning the CSCE (including the question of EC trade "discrimination" toward the East). Accordingly, the EU set up its own "mixed" working group within EPC in May 1971, known as the ad hoc CSCE working group. This consisted of the "normal" CSCE working group plus representatives from the Commission. Procedures were then established to determine the CSCE questions to be considered by each group. The activities of these groups will be considered in the next chapter as they began after the next phase of EPC institutional reform (September 1973 to July 1975).

These two areas were the only ones EPC could address in any substantial way during the first several years of meetings. Any collective policy

toward the US was risky given the generally apprehensive attitude of the Americans toward the EU (and EPC) at the time. The EU's expansion from six to nine member states, the growth of a European free trade area, the increasing number of EC Association Agreements with less-developed countries, and other EC external policies helped to put the US on the defensive (Kohler 1982: 84–85). Feelings of ill will between the US and the EU further intensified because of the Vietnam War and President Nixon's abrupt decision in August 1971 to refuse to redeem US dollars for gold at a fixed price, thus abdicating US responsibility for the international monetary system. Regarding EPC in particular, the US was almost hostile toward it during these years. The suspicion that France (and possibly other EU states) hoped to use EPC as a mechanism to pursue a foreign policy which was more independent from that of the US made European foreign policy a highly antagonistic subject for Nixon and his secretary of state, Henry Kissinger. These difficulties ultimately resulted in the collapse of Kissinger's "Atlantic Charter" concept for US–EU cooperation by the end of 1973. While the Europeans appreciated the need for a more comprehensive approach to the Atlantic relationship, they were also extremely sensitive to the idea of playing only a support role for US policies. This failure to forge a common vision for transatlantic cooperation, while understandable at the time, nonetheless allowed EPC to develop on its own as a means to promote European independence in world politics, although common European approaches to South Africa, Central America, and other key areas were not even on the horizon at this early date.

To conclude, although these results were probably far beyond what most observers expected of EPC, it was still hard to escape the image of a "gentlemen's dining club," as Wallace and Allen put it (1977: 237), based on the recollections of one EPC participant: "So we meet, eat well, and exchange views; and if we disagree, then *tant pis* [too bad], we will return to the question when we meet again." Yet this should not lead one to treat EPC as an intergovernmental bargaining system or mere talking shop. EPC in fact was conceived as a novel, different form of intergovernmental policy coordination. It was intended to be a forum for an exchange of views, not for crude bargaining. If states discovered a common interest during discussions they could act in common, but there was neither an obligation to do so, nor provisions for trading favors to forge a common action. Also, unlike the EC, EPC did not possess its own resources to implement such an action; these were to be supplied (at first) by individual EU states. A more sophisticated view of policymaking than that of intergovernmental bargaining suggests that the system demonstrated a paradox of institutional strength: although EPC was an informal,

decentralized, non-coercive institution, and did not enjoy strong public support or interest, it resulted in an expansion of foreign policy cooperation and ultimately changed the way EU states defined and pursued their national interests. As Wessels once argued (1982: 15), intergovernmentalism quickly became a limited tool for analyzing EPC because of the system's "multi-diplomatic structure, socialization processes, reliability, continuity, and its *de facto* binding character." These factors suggest that other analytical devices beyond intergovernmentalism must be employed to understand fully the performance of EPC and its growth into the CFSP.