GLOBSEC
Global Europe Initiative

GLOBSEC:
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Final Report

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Introduction

GLOBSEC
IDEAS SHAPING THE WORLD

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Viliam Ostatník, M.A., is currently a PhD candidate at the Department of Political Science at the Comenius University in Bratislava, Slovakia. His research interests include international relations, foreign policy and international security. More specifically, Viliam is focusing his expertise on the Common Foreign and Security Policy of the EU (CFSP), also writing a dissertation thesis about the processes of formation of specific CFSP vis-à-vis Russia. He graduated from the Comenius University (International relations and European affairs, B.A.) and from the University of Bologna (International relations with specific focus on Central and Eastern Europe, M.A.). Viliam also interned at the Slovak Ministry of Foreign Affairs as well as Slovak Embassy to the United States of America. He actively participated on various academic conferences and seminars, and conducted active cooperation with not only research institutions home and abroad, but also with government entities and think-tanks, drafting policy-briefs, presenting analyses, risk assessments, and strategies.

This past year has profoundly shaken the resolve that geopolitics belongs to the dustbin of history. Russia's invasion of Ukraine has foregrounded conventional security concerns even as cyber and other conflict domains continue to pose hybrid threats. The volatility of existing supply chains further spotlights overdependencies on China. How could and should the EU become a more relevant and stronger global geopolitical player in a climate of superpower competition?

Trade and the economy cannot be separated from security. Protecting (and strengthening) the international order founded on the tripod of liberal democracy, the market economy, and international institutions and norms should continue to be the guiding principle for the EU's external action. Democratic regimes and all those committed to upholding the stability of an international order created following the Cold War will face growing threats from authoritarian, revisionist and revanchist regimes. Dividing lines in the international system will, therefore, run primarily between revisionist, disruptive and destabilizing actors and those defending the order and stability provided by the post-Cold war international system and, secondarily, between authoritarian and democratic states. The order built on the norms and rules of the post-Cold War era is indeed a legitimate one and should be defended.

This report develops actionable and practical policy recommendations that should contribute to EU coherence and effectiveness in its external action. The analytical part of the report focuses on three fields:

▶ Governance and deliverability in external action,

▶ Bringing together internal strengths and external instruments,

▶ Building the EU's regional clout.

The report concludes by proposing a set of concrete steps to be taken.

1. Enhancing governance in EU external action

Featuring a complex institutional structure and limited authority and resources, the EU often struggles to project a cohesive voice globally through its foreign policy. Yet there are structures and instruments already in place that can be further enhanced and/or utilized more effectively.

We cannot begin, however, without acknowledging the two most important underlying elements to its foreign policy: political will and leadership[1]. These components will exert the strongest impact on the future capacity of the EU to be an actor in its external policy conduct. Additional factors include the domestic responsibility of individual Member State governments - countries with low governance capacity could be sluggish and ineffective in implementing common policies[2] and thereby ultimately make the process of integration and cooperation ineffective no matter the issue.

QMV – a never-ending debate?

Often debated – now more than ever – a move from the unanimity voting procedure in the area of CFSP towards qualified majority (QMV) could boost the flexibility of the EU and its ability to conduct foreign policy and be a global actor. It could also boost the EU's resilience to third-country influence, facilitate the emergence of a common strategic culture among Member States and mitigate the risk that the tone of common European foreign policy is set in various mini-lateral forums outside the EU.

The argument goes that, since it constitutes a radical shift, QMV could be best advocated to

reluctant Member States if it was initially to be extended only to the adoption of EU statements on international human rights questions. As mutual trust solidifies and governments become accustomed to the procedure, positive momentum could be forged that enables the expansion of QMV to additional CFSP areas later on.[3]

This perceived radical change in matters that are seen as fundamental to state sovereignty (particularly considering some national differences in threat perceptions and priorities), however, may be ultimately rejected by some Member States. Other potential paths forward, consequently, should remain open. In case even a limited move to QMV were to become, for example, tied to treaty change (a long and tumultuous process), Member States should use the available existing instruments at hand, such as enhanced cooperation or constructive abstention (as used in voting on deploying the EPF in supplying Ukraine with lethal weaponry and dubbed the "best of both worlds"[4]). And, where possible and desirable, the bloc should move forward by creating a sort of issue-specific "coalitions of the willing" approach.

A final turning point for the QMV shift could come as the EU contemplates further EU enlargement – some countries may wish to tie support for further accession to voting reform measures and potentially to re-negotiation of the treaties. Although renegotiating the treaties could prove to be a risky process with results far from certain and unpredictable, the position should not be an absolutist one and the debate should not be precluded at all costs. As this is becoming

a pressing issue, debate should continue. But Member States should – in the meantime – make full use of the already mentioned existing instruments.

Legislation to support EU's resilience and enhance EU's leverage

The Chinese and Russian regimes currently in office present a threat to the international order of agreed-upon rules and to the EU, though this varies in degree and by area. The threat posed by the Kremlin is as evident as it is brutal, putting human, national and energy security at its core. The activities of Beijing, conversely, are more complex. There are significant disinformation campaigns from both Russian and/or Chinese (state) actors and campaigns to influence EU polities, policies and politics in Russia and/or China's favour – these meddling efforts pose cyber security and other hybrid threat concerns. They also deliberately seek to create and maintain material overdependencies using Chinese and/or Russian allies within the EU to undermine the Union's overall political and economic stability by sabotaging common positions and sowing divisions and distrust. The by-product is focused towards limiting the EU's ability to forge consensus and, ultimately, act[5].

This backdrop provides an enticing space for discussion on adopting EU legislation similar to the Countering America's Adversaries Through Sanctions Act (CAATSA), a US federal law permitting, among other things, secondary sanctions directed at entities that are aiding and abetting the targets of primary sanctions to evade these measures. To maximize the effect of EU sanctions (as a foreign policy instrument) against adversaries, the EU needs to present credible warnings and use deterrence – and,

if necessary, dole out punishments – to those actors aligning with the EU's adversaries. Member States could press for such legislation to be adopted by the European Parliament. It would also be a supplementary instrument and a further improvement to the EU's Magnitsky Act.

Use non-state, innovative nature of the EU as an advantage

It is sometimes argued that the EU needs to either move towards becoming a full-fledged federal state or roll itself back to the lowest common economic and trade denominators. There is, however, another alternative that would not risk the catastrophic impact of a roll-back or the possible centrifugal and destabilizing – perhaps similarly catastrophic in the end – reaction to federalization.

The EU, in fact, can utilize its unique nature and status as neither a state nor a typical international organization[6]. This option is particularly appealing given Europe's long history of innovation and creativity (as well as global trendsetting) when it comes to the political organization of society and statehood. This time, innovative, interstitial organizations such as EEAS offer a valuable perspective on making proper use of the EU design and its distinct capacities compared to states.

"Traditional" states indeed face major constraints on their ability to adapt to a rapidly changing global environment. Often when faced with those constraints, new organizational arrangements are created to preserve states' actorness and capabilities in addressing contemporary complex challenges[7]. In the interconnected complexity of the modern world, such non-traditional organizations might offer a tailored answer. They are created in the interstices between established institutional domains, tapping into resources, rules and

1   For example, the EU's new commitment to create Rapid Deployment Capacity as an instrument to address critical and specific security challenges in the EU neighbourhood largely rests on the flexibility of decision-making processes that will govern it. If RDC were not to become governed by QMV, it will likely remain in the same position as EU Battlegroups – stuck. But the latter has never been used mainly due to a lack of political will among Member States.
2   See Tallberg, J. (2002). *Paths to Compliance: Enforcement, Management, and the European Union*. International Organization, Vol. 56, No.3, pp. 609-643
3   See Nováky, N. (2021). Qualified Majority Voting in EU Foreign Policy: Make It So. Wilfried Martens Centre, available at: https://www.martenscentre.eu/wp-content/uploads/2021/09/Qualified-Majority-Voting-in-EU-Foreign-Policy-Make-It-So-.pdf
4   See https://voxeu.org/article/constructive-abstention-reforming-european-council-voting

5   For Chinese malign influence, see, for example: https://carnegieendowment.org/2021/10/13/china-s-influence-in-southeastern-central-and-eastern-europe-vulnerabilities-and-resilience-in-four-countries-pub-85415 or https://www.europarl.europa.eu/news/en/press-room/20220304IPR24790/eu-must-prepare-better-to-fight-off-foreign-interference-and-disinformation. For Russian activities, see https://carnegieeurope.eu/strategiceurope/81322.
6   See, for example, Bátora, J., Fossum, J. E. (2020). *Towards a segmented European political order: The European Union's Post-Crises Conundrum.* Routledge.
7   See Bátora, J. (2021). *States, interstitial organizations and the prospects for liberal international order.* International Affairs, Volume 97, Issue 5, Pages 1433–1450, https://doi.org/10.1093/ia/iiab108

practices from multiple fields and recombining these into new organized patterns (Bátora 2021).

The EEAS, as one such innovative organization, combines norms, rules and practices from diplomacy, defence, development aid and intelligence under one roof to support the ability of the EU to be a global actor. Bátora (2021) argues that the EEAS has thus been a vehicle for what Emanuel Adler has termed "liberal international practices"— practices beyond the standard remit of states' diplomatic actorness and fit for the purpose of expanding the international liberal order.[8] Thus, the very non-state, innovative nature of EEAS has enabled it to perform activities that diplomatic services of "traditional" states usually cannot (because of valid conventions and agreements) or simply do not perform.

The EEAS, when utilized in the proper way as an external policy tool, can serve as a complementary instrument to traditional nation-state foreign policy. The EU can provide better and more when supporting and stabilizing societies in its neighbourhood, engaging in domestic transformation processes in third states, etc... The EEAS could serve as an organizational platform for integrating the EU's external relations resources across the boundaries separating EU institutions and EU Member States[9].

Understanding the EU's potential to engage in a *different kind* of external action/conduct[10] – i.e., integrated across policy domains and exploiting the EU's non-state status – could prevent misunderstandings and possible tensions from either back-tracking integration or federalizing the Union (by making EEAS, for instance, a proper state-like foreign ministry). Member States, together with the Commission, should encourage EEAS to do

what it is meant to do and what it is best at doing and the EEAS and the Commission conversely should let Member States do what they are best at doing)[11]. EU ambiguity on the international stage indeed offers a certain degree of flexibility and opportunity that can be seized.

Strengthening EU Delegations and Permanent Representations

The EU should strengthen its Delegations to key strategic allies to allow for more intense and complex coordination and cooperation. The Member States could strengthen their Permanent Representations, specifically staff dealing with Coreper 2 and PSC, as these venues are expected to rise in prominence when it comes to policy-convergence and consensus-building in questions regarding CFSP (e.g., Coreper 2 in sanctions policies).

2. Bringing together EU's external and internal policies

The EU needs to develop an effective link between its internal strengths and its external action (leverage and influence). The traditional domains of trade, development and humanitarian action need to be connected with spheres like technology and climate change[12]. Through specific policies and regulations, the EU needs to build and maintain its role as a trendsetter at a global scale on norms and standards. But it also needs to support this posture with an adequate amount of hard power (utilizing the dual use nature of technologies and infrastructure).

Geotech and Greentech

If the EU wants to be a serious global player, cybersecurity stands out as one of the key arenas to make it happen. The Foreign Affairs Council (FAC) decided shortly before the Russian invasion to Ukraine that the EU would deploy its Cyber Rapid Response Team (a PESCO product) to help Ukraine against Russian cyberattacks and disinformation campaigns. The regulatory alignment with the EU or an enhanced cyber-security dimension are fundamental to rebuilding Ukraine. Yet more importantly, modern (digital) domestic economic growth and resilience against (Russian) economic and cyber-destabilisation tactics are key long-term security needs – and the EU can be there to provide the necessary resources. Ukraine can, in fact, provide a good starting point and lend lessons on

developing an effective EU external digital and cyber policy.[13]

The EU should also closely analyse developments in this field in other countries, especially those considered strategic rivals including namely China[14]. Just prior to the pandemic, Chinese president Xi Jinping pressed on with an enormous infrastructure campaign in support of Building Digital China (valued at over $2.7 trillion over the next five years and aimed at digitally transforming traditional infrastructure and building new digital infrastructure). Xi even described data as the key factor of production in a digital economy[15].

But it is not only about what kind of technologies, but, perhaps more importantly, how we use them. China's model of digital economy (and supremacy) stands in stark contrast to the EU (and Western) one. The EU should not succumb to pressure and instead maintain its focus on maintaining individual and political rights[16] as it designs its digital policies and strategies. While this might seem in the short run to be a disadvantage, in the long run, it will be advantageous in setting standards and norms, attracting foreigners, and cultivating an environment of innovativeness and creativity in contrast to the allegedly superior organizational abilities of authoritarian systems such as China. The approach, to this end, will serve to benefit companies, investors, and of course, users themselves.

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8   Yet, as INTOs are also notoriously difficult to categorize, regulate and subject to democratic scrutiny and accountability mechanisms, they may also contribute to what Cooley and Nexon have termed a 'tilting' of the LIO in an authoritarian direction (Bátora 2021). The EU should keep that in mind and address the issue of political accountability.

9   Ibid

10 A concrete practical example might be the re-establishment of the EU presence in Afghanistan after the Taliban takeover in 2021. In January 2022, the EU started to re-establish a "minimal presence" in Kabul in order to facilitate humanitarian aid. The US, Germany and France have re-allocated their embassies and are not present on the ground in Afghanistan. The EU can credibly claim that by being present, it does not offer Taliban recognition in any way, since it is not a state and its delegation is not a classic embassy (argument used also by HRVP Borrell). By circumventing such delicate political matters, the EU can effectively engage in external action (aid, intel, etc...) whereas sovereign states cannot.

11 Bátora, in another work, refers to this as the "mitrailleuse effect" – essentially to misunderstand what a tool/institution is meant for, where it is most effective and can be utilized, and on contrary, what is it not for. The point is that the EEAS is possibly an innovation in organizing diplomacy and should thus be utilized in ways different from traditional foreign ministries. See Bátora, J. (2013). *The 'Mitrailleuse Effect': The EEAS as an Interstitial Organization and the Dynamics of Innovation in Diplomacy*. Journal of Common Market Studies.

12 And, as already mentioned, the EEAS together with the Commission can serve as organizational vehicles for such an integrated approach. In a recent development, the UK seems to be going in the same direction given its structural and organization changes to the Foreign Office – they reflect the complexity and interconnectedness of the modern international environment. For more, see: https://www.politico.eu/article/the-incredible-shrinking-global-britain/.

13 See Ringhof, J., Torreblanca, J. I. (2022). *The virtual front line: How EU tech power can help Ukraine.* ECFR, available online at: https://ecfr.eu/article/the-virtual-front-line-how-eu-tech-power-can-help-ukraine/

14 It is necessary to mention the EU's collective capacities to gather top-notch analysis on which strategies are built in regards to, for instance, China. For that, joint effort is needed to foster excellent research, for example, through Horizon Europe to achieve the best understanding of other actors, topics, etc... The EU should, perhaps, devote new funding for such endeavors. For example, see Freudenstein, R. (2021). *Researching the Dragon – The EU Needs to Build up its Independent China Expertise.* Wilfried Martens Centre, available online at: https://www.martenscentre.eu/wp-content/uploads/2021/04/Researching-the-Dragon-The-EU-Needs-to-Build-up-its-Independent-China-Expertise.pdf

15 In April 2020, the Central Committee and State Council jointly considered data as a new factor of production, joining Marx's labor, land, capital, and technology. See Doorman, D. (2022). China's Plan for Digital Dominance. War on the Rocks, availabel online at: https://warontherocks.com/2022/03/chinas-plan-for-digital-dominance/

16 Including the right to privacy; right to transparency; right to accountability and control; right to fairness; right to non-discrimination; right to safety and security; right to access to justice; right to reliability or right to remedies, including an effective complaints procedure and collective redress actions.

The EU's task is generally no less than to try to prevent authoritarian regime(s) like Russia and especially China from gaining the upper hand and becoming the model for the functioning of society (including in digital governance) both domestically and internationally. China will likely become profoundly efficient in governing data – gathering, storing, and using it[17]. But with little to no regard for individual rights and freedoms, it is precisely these areas that the EU and its allies must excel and provide alternatives for all those that seek out a system that is better both normatively (morally) as well as practically (economically). In short, the EU should prevent the dystopian novels of the 20th century from becoming a reality[18].

The EU needs to act as a global trendsetter in the sphere of digital governance and the adoption of new technologies (such as AI or those relevant to the green transition and economy) and, at the same time, do it along geopolitical lines (differentiating between reliable allies and revisionist foes). The bloc, as a major market for digital services, should continue its effective regulation of major corporations and systematically expand its role in this area, along the lines of the European Chips Act, Digital Service Act and Digital Markets Act[19].

Overall, the EU geotech strategy should be aimed at strengthening the bloc's own capacities and capabilities in key areas (e.g., advanced semiconductors, processors, microchips, biotech, aviation, space and defence) and support EU companies in becoming globally competitive in alignment and cooperation primarily with allies such as the UK, US[20], Japan, South Korea, and Taiwan (and considerably less so with China and Russia).

Proposals for greater digital autonomy through de-privatization (i.e., nationalization) of strategic industries should be countered with a proposal to support fostering strategic alliances and cooperation between the EU's top-notch technological companies and allied countries (through trade agreements) as well as fostering more public-private partnerships (e.g., in aviation or space).

And given the many initiatives in this field, it will be critical to carefully and strategically identify the most important priorities for the EU even while keeping in mind that resources are always scarce and limited. The prudent course lies in investing in industries producing niche technologies and products that enjoy virtual monopolies in their own sub-fields, such as the Dutch ASML. This entails continuing to focus on areas where the EU already excels rather than developing wholly new (production) capacities[21]. It is desirable to understand the volatility and dangers of overdependence and exposure to countries such as China and Russia with their current regimes. But the pendulum should not swing to another extreme by using vast resources to build capacities that will run contrary to the logic of the division of labour and economy of scale. The EU's general aim should be to shorten supply chains and emphasize economic resilience in a volatile world (not just efficiency and profit).[22]

With regards to Greentech, this is another specific area where the EU has the potential to be a world leader. This sphere also provides an answer to a crucial question: how can the EU sustain and enhance its competitiveness and become "greener" at the same time? The solution lies in supporting sustainable and profitable investments in new technologies such as hydrogen, the new generation of batteries, tech for sustainable water use, waste management, pollution prevention, biodiversity protection, wind energy, heat pumps, demand-side power grid management, buildings and domestic appliance efficiency, aviation biofuels, shared mobility solutions, industrial process efficiency, zero-emissions steel, material recycling and management, sustainable banking, automotive, digital, and AI (helping with the optimization of production and consumption)[23]. These innovations will both help the EU achieve its green goals and EU companies become competitive on the global market (even achieving high global market shares). Instruments such as Horizon Europe and the Innovation Fund should be utilized to achieve that[24]. And as innovations lead to more sustainable manufacturing, deals can be made with global partners (e.g., ASEAN[25]).

EU needs to conclude trade deals

Existing supply chains are becoming volatile and underline the EU's economic overdependency on China. The bloc consequently should pursue new trade deals and conclude ones already opened. These should prioritize, but not be strictly limited, to the EU's closest democratic allied countries and should also prioritize improving the situation of the EU in terms of the supply of key strategic materials (such as rare earth elements and other minerals and materials critical for the latest industrial revolution as well as future transitions[26]) and energy[27]. Major trade deals should include Central and South American countries, specifically Chile and Mexico. Trade deals should also, however, be (re)started and concluded with Australia, New Zealand, India and Vietnam. The EU should further continue to strengthen and further institutionalize its ties with Japan and South Korea. All such agreements are important not only

in terms of bringing those countries closer to the EU and fostering economic benefits – they are also important for both the green transition and diversification. Additionally, such deals will help with countering Chinese (and Russian) influence around the globe and tilt the scales in the EU's favour. Brussels could also, together with Washington, press to be included in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership and negotiate a transatlantic trade and investment pact.

Clean networks

One of the Donald Trump administration's positive international legacies potentially pertains to the project called 'The Clean Network' regarding complex geoeconomics relations. It aimed to strengthen ties between democracies and reduce the reliance on authoritarian states including particularly China[28]. As this was a bi-partisan project that continues to garner support from the Biden administration, it is something concrete the EU can support and build on.

The EU should also engage with those countries in its neighbourhood – especially Ukraine – that will continue to be hit by the volatility in the energy market to facilitate their economic diversification including into renewable energy and green technologies that could also be subsequently used in the EU.[29]

The bloc, finally, should pressure its allies and partners, such as the US, to coordinate and apply similar carbon border adjustment measures, which would send a strong signal to other countries, and push for better environmental provisions elsewhere.[30]

17 See, for example: https://www.brookings.edu/techstream/how-china-harnesses-data-fusion-to-make-sense-of-surveillance-data/ or https://www.iss. europa.eu/content/chinas-data-strategy
18 Such as Yevgeny Zamyatin's *We*, Aldous Huxley's *Brave New World*, Ray Bradbury's *451 Fahrenheit*, George Orwell's *1984* or even Robert Hugh Benson's *Lord of the World*.
19 It is also worth noting that the EU has recently decided to open a Delegation in Silicon Valley.
20 The EU and the Member States should support an initiative of trilateral dialogue and closer formal cooperation of US-EU-Japan and also support better and more intensive coordination within the U.S.-EU Trade & Technology Council, especially in areas of unaligned China policies, diverging digital rules, new (disruptive) technologies including AI and supply chain security. Additionally, the EU should push for an increase of bilateral trade and investment, for example, through an agreement to further reduce industrial tariffs.
21 Although production capacities in regards to (conventional) military equipment need to be expanded.
22 That said, the EU should be focused more on building an optimal environment for private sector, incentivizing businesses to invest in innovation, and facilitating effective private and public partnerships (streamlining, fostering existing projects such as https://www.clean-aviation.eu/ or https://www. sesarju.eu/, supporting new ones such as between InoBat and Green Lithium, see https://www.just-auto.com/dashboard/deals/inobat-and-green-lithium-to-collaborate/), especially in sectors of dual-use technologies and products, such as aeronautics, cyber, space, biotech, and automotive.

23 Also, see https://www.euractiv.com/section/energy-environment/opinion/competitive-sustainability-time-to-realise-the-eus-new-approach/
24 See more at https://ec.europa.eu/commission/presscorner/detail/en/ip_21_5473
25 See https://greentechtransfers.eu/
26 And in these, lower the massive dependence on China significantly, as it also poses economic as well as security risk – overdependency creates volatility and limits policies and security threats too, as some suppliers of key green energy technologies or products can also be China's key defense contractors and some might be connected to human rights violations, e.g., in Xinjiang region; however, the EU should not aim to completely cut China out of supply chains, which is neither possible nor desirable. See https://ecfr.eu/publication/circuit-breakers-securing-europes-green-energy-supply-chains/.
27 Hence, a call for intensifying diplomatic efforts to (re)define agreements with countries like Norway or Saudi Arabia, but also Algeria, Nigeria, or Iraq, and design a robust EU foreign policy vis-à-vis these countries, comprised of – where appropriate and necessary – aid, security, as well as economic aspects.
28 Some EU countries are in unique positions to foster such 'clean networks' given their history as well as current economy; for example, Dutch-Taiwanese ties and cooperation.
29 https://www.bruegel.org/wp-content/uploads/2021/02/PC-04-GrenDeal-2021-1.pdf
30 https://www.institutmontaigne.org/en/blog/green-deal-geopolitics-and-global-implications

3. Building up the EU's regional clout

The EU needs to work hand in hand with NATO and the United States; however, it is the EU that is uniquely positioned (as a de jure non-state actor) to exert influence on third countries, including ones in its direct neighbourhood. The EU can use an external action tool that no traditional state actor can use – enlargement - through which it can steer countries to adopt its legal, political and economic standards and regulations. Enlargement, in this regard, is essentially external governance[31]. The EU should continue to use its potential in this area to stabilize democracies to its East and South through economic cooperation, trade, visa policies and assistance in policing, border protection and control, strengthening the rule of law and combating crime and corruption.

Engagement that may include the Western Balkans also needs to reflect these dynamics. The influence of global powers such as Russia or China is growing and must be countered. More engagement by the EU is necessary (e.g., through investment in critical infrastructure), with greater emphasis placed on good governance and the rule of law[32]. Softening the criteria for accession is not on the cards but membership prospects must be present and more immediate and tangible forms of integration offered.

Regarding the broader Southern Neighborhood, the importance of this region will only grow as the impact of the food crisis, demographics, climate change and the security situation in the region increasingly falls on the EU. North Africa, the Sahel and the Middle East are often associated with migration and terrorism that are, in turn, in principle only the consequences of wars, destabilization and bad governance in the regions[33]. These regions will also become more important in terms of energy supply and the green transition. As the issues at hand are complex and external governance through approximation as a tool is not available here, the EU's efforts to tackle the root causes of the challenges emanating from those areas must be linked to classical trade and development instruments, yet combine those with military assistance and hard power. In short, a presence is necessary as opposed to neglect. Once again, the EU is uniquely positioned to use its non-state nature and innovativeness of some of its instruments and institutions to step up to this challenge. The Commission and especially the EEAS as an innovative type of organization seem to be the right actors and tools for coordination and the pooling of resources[34].

All told, the EU needs to be engaged, deploy its unique tools such as enlargement and supranational coordination and radiate through the *power of attraction*. For that, it needs to be credible in its actions and commitments both internationally and domestically[35].

Russia or even China can offer aid in specific spheres (military, trade, infrastructure) in a limited manner without regard to human rights, the rule of law, good governance and, indeed, longer-term (economic) sustainability. In contrast, the EU should – in coordination with the US and other global democratic partners – be offering the complex support of a strong and advanced alliance that entices interest merely through its existence, wealth, power and democratic status (free).

Reforming the post-WW2 and defending the post-CW order

As Russia openly demonstrates its revisionism and revolutionary zeal against the post-CW order, and China appears to be further aligning with Moscow, the EU should acknowledge this crude reality and adapt its strategies. This may involve amending some remaining elements of the post-WW2 order (which better suited Russia in its superpower aspirations) and focusing on defending and preserving the post-CW order based on norms such as the non-acceptance of border changes through force. The EU needs to work to repel Russia's open attack against that order and counter China's efforts to undermine it in close coordination with a global alliance. Any new order that might emerge after the war in Ukraine should not be fundamentally different from the rules-based order of the post-CW and should be built on its core principles.

The EU, for one, could press for reforms at the UN level so that Security Council members will not be able to veto a referral to the International Criminal Court (as is currently the case with Russia). This would strengthen, at least in part, the enforceability of international law and with it the international order that is less built on the results of WW2 and more on the post-CW and current realities as well as desirables (rules- and norms-based international order). The question concerning the expansion of UN SC membership could also be opened.

The global coalition of democratic countries should be more institutionalized, with AUKUS, 5eyes, and Quad mainly active in the Pacific and NATO and the EU in the Atlantic, the Arctic, the Middle East and North Africa. But the EU should also work on emphasizing the interconnectedness of these global "theatres" and further work on linking allies across them.

Instruments to use

With all that said, there are several policies the EU should employ and strengthen.

1. The European Peace Facility can be deployed to provide complex military aid to partners around the world in order to improve the security situation and stability in their countries and counter the influence of adversarial powers in this area. This element should be further used as a tool to build and enhance relations with allies and partners and attract additional funding from Member States. The EU should use it to make offers also to countries like India and Brazil.

2. Permanent Structured Cooperation[36] can be used to aid EU Member States in strengthening their militaries including by making them more interoperable and ready for modern defence and military operations. This instrument should be further supported even as its projects are reviewed and re-prioritized following a thorough analysis of lessons from the 2022 war in Ukraine and a careful assessment of EU capability gaps that can be realistically addressed in complementarity with NATO. It should also be analysed with regard to the Western-EU clustering of projects (systematically leaving out Eastern-EU actors) where there are long-developed and established ties between both governments and defense companies. The lack of a thorough review process (2025 provides an opportunity) and prioritization together with clustering might not only present a disadvantage for Eastern EU actors but could lead to further fragmentation in defense in the EU (e.g., by motivating governments from Central and Eastern EU to

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31 It is also an advantage when it comes to the expansion of geopolitical influence. While nation states or alliances (like NATO) need to practice more restraint, the EU can utilize its non-state nature (enlargement, approximation, support for democracy and freedom abroad) with more flexibility.
32 Another variable in the equation is the negative impact of enlargement on the internal cohesiveness and stability of the Union. As we mentioned earlier, it is desirable to build and strengthen the EU and the West as a security community, where there is not only large economic interdependence, but also policy convergence and alignment on significant issues (including foreign and security policy), and mutual trust and understanding. Without third country credibility as trustworthy and competent partners, enlargement would risk destabilizing the Union. Here, it is possible to explore various formal/institutional models of approximation, such as the EU of concentric circles or multi-speed EU where the non-EU countries to the East and South would be integrated differently than others.
33 For that, it is essential first to properly analyze the workings and forms of local governance; for example, including actors like private military corporations.
34 Here, one could also mention FRONTEX, as through this agency, the EU is also able to support some countries in North Africa in the issues of border management, policing, etc...
35 This means, for example, moving forward with its promises to the candidate countries and those wanting to join the Union, communicating clearly and realistically, being a trustworthy and competent partner that can *deliver*. Domestically, it means upholding and strengthening the liberal democratic principles on which the Union was built.

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36 In connection to CAARD, EDF and EDA as these formulate a package that only work together.

procure weapons from other states including primarily the US).[37]

3. The Strategic Compass provides specifically tailored instruments that can enable the EU to adopt common and flexible responses to specific types of security crises. The Compass will help the EU find the right balance between EU sovereignty (risking deterioration in transatlantic relations as well as squandering resources on duplications) and strategic over-dependence in defense capabilities. For both NATO and the EU, the question is not *if* defense but *what kind*. Complex collective defense and (nuclear) deterrence should not be the primary aim of these EU instruments, as these are the primary domains of NATO; the EU should instead focus more on complementary capabilities such as military mobility and hybrid.

4. The Connecting Europe Facility can fund key dual-use infrastructure, for example, connecting airports to railways, strengthening bridges[38], clearing space at ports for rapid landing, etc… This instrument requires more support and funding as a priority, especially since it provides a specific example concerning the excellent position of the EU towards supplementing NATO (the Alliance is not focused on financing such bridges, railways and roads thereby providing an opportunity for the EU to step up to address military mobility).[39]

The financing of these instruments will also need to be defragmented and made predictable and stable. Administrative divisions and/or interinstitutional tensions must also be streamlined. And the

implementation of the Compass in full should be a broader priority - its provisions already encompass a list of select priorities for the EU and implementing them only partially could jeopardize its final impact on enhanced EU external actorness.

Concluding recommendations

Protecting (and strengthening) the international order founded on the tripod of liberal democracy, the market economy, and international institutions and norms should continue to be the guiding principle for the EU's external action[40]. Democratic regimes and all those committed to upholding the international order created after the end of the Cold War will face growing threats from authoritarian, revisionist and revanchist regimes. Dividing lines in the international system will thus run primarily between revisionist actors and those defending the stability of the post-Cold War international order, and secondarily, between authoritarian and democratic states[41].

To prevail in the upcoming competition of ideas, for economies, and (possibly, however unfortunate) also militaries, we propose:

▶ Investing in the EU's **Geotech and Greentech capacities**, especially with regard to the green transition and competitive technology by focusing on sectors, products and technologies already established (e.g., advanced semiconductors, processors, microchips, and biotech) and facilitating stronger **public-private partnerships** (e.g., in aviation, space and defence);

▶ Implementing the **Strategic Compass**, improving the effectiveness and inclusivity of Permanent Structured Cooperation (**PESCO**), prioritizing certain projects, and streamlining and defragmenting financing;

▶ Using the European Peace Facility (**EPF**) as a tool in building and strengthening ties with allies and partners across the globe;

▶ Using the Connecting Europe Facility (**CEF**) as an instrument to invest more in critical, dual-use infrastructure;

▶ Focusing more on **crisis management in the neighbourhood** and efficiently complementing NATO in territorial defence and deterrence (especially nuclear);

▶ Developing modern, multi-domain **hybrid warfare** capacities and strengthening **internal resilience**;

▶ Utilizing the non-state nature and status of the EU and identifying **synergies** between the External Action Service (**EEAS**) and the **Member States**;

▶ Strengthening the capacities of Member States' Permanent Representations in Brussels, specifically in **Coreper II and PSC**, as these venues will become ever-more important in CFSP formation;

▶ Continuing the debate on CFSP reforms and re-negotiating the treaties by exploring different options available even as the EU focuses more on making full use of already existing instruments (e.g., **making constructive abstention a norm in CFSP voting** or using enhanced cooperation);

▶ Preparing instruments for **secondary sanctions** against adversaries;

▶ **Concluding strategic trade agreements** focused on enhancing prosperity, energy security and the supply of key materials;

▶ Achieving higher representation of **Central Europeans in leading positions** in EU institutions as a political priority[42].

37 In defense contracting, phenomena similar to segmentation have been described as 'iron triangles' when defense contractor firms participate in various more or less stable formats in the formation of decisions. This generates stabilized types of recurring engagement patterns between the government, the legislative bodies and advocacy groups/NGOs, see Bátora, J., *'Dynamics of Differentiated Integration in EU Defence: Organizational Field Formation and Segmentation'*, (2021), European Foreign Affairs Review, Issue 3, pp. 63-86, https://kluwerlawonline.com/journalarticle/European+Foreign+Affairs+Review/26.3/EERR2021027.

38 As Western tanks, for example, weigh more than the Soviet/Russian ones, creating a major problem in military mobility and planning.

39 For more on PESCO, see, for example: https://kluwerlawonline.com/api/Product/CitationPDFURL?file=Journals\EERR\EERR2021027.pdf. For more on CEF: https://www.politico.eu/article/europe-military-mobility-budget-slammed-as-almost-nothing-to-tackle-russia-challenge/. For more on EPF: https://carnegieeurope.eu/strategiceurope/87053 For more on Compass: https://carnegieeurope.eu/2022/04/14/making-eu-foreign-policy-fit-for-geopolitical-world-pub-86886

40 Also, this should be a guiding principle in domestic policies as well. For example, the EU should uphold individual and political rights while designing its digital and other technological and market policies, offering a better, more free, stable, creative, predictable and innovative alternative to China and Russia for individuals, students, professionals, investors, or companies. Overall, the EU as a credible power means a community of consolidated liberal democracies.

41 This is an important distinction. It is important to acknowledge how other states, especially key partners, understand these dichotomies. The EU should avoid imposing certain constructs and frames on some countries, like India, without consideration for nuances and particular interests. This does not jeopardize defending the rules-based order, but makes room for more tailored, pragmatic approach when necessary. Acknowledging multipolarity without compromising the protection of the rules-based order and rejection of the usage of force, for example, can go together.

42 Such as the President of the Commission or the Council, heads of Commission DGs, Council's GSs, or the EEAS, as they naturally tend to understand that region's complexities better and would help maintain the EU's strong push for intensive transatlantic relations as well as its wariness and continued pressure on Russia. Additionally, having a stronger presence in Brussels can translate into the easing of some internal tensions and lead to more mutual understanding, recognition and respect between Western and Eastern Member State. For evidence of underrepresentation, see, for example: https://www.politico.eu/article/central-eastern-europeans-underrepresented-eu-institutions/ or https://euobserver.com/eu-political/150720.

Additionally, the EU should learn to operate in a world characterized by:

- Multicentrism and multipolarity (which, however, still needs to be governed by a set of certain norms, regimes, institutions and rules of the post-Cold War order, thus containing the rise of revisionism and revanchism against that order);

- Rising importance of robust institutions, infrastructure and logistics (for the maintenance and strengthening of both domestic politics and the international liberal order);

- Parallelism (multiple simultaneous crises and conflicts happening at once and across various domains);

- Rising influence of non-state actors (such as private military companies); and

- Blurring lines between civilian and military, hard and soft power and (formal) war and peace.[43][44]

The first two years of the Covid-19 pandemic demonstrated the need for less reliance on overstretched supply chains. In 2022, the Covid-related crisis in Shanghai illustrated further that dependence on authoritarian power is simply unwise. And the Russian war in Ukraine brutally demonstrates the need for hard power (as a supplement to the soft one) and a strong alliance of like-minded countries. This is a historic opportunity for the EU and its Member States to consolidate, re-orient (if necessary) and act.

To navigate through murky waters between its liberal identity and realist world, the EU should learn how to prioritize and "pick its fights" – both internally and externally. It needs to blend resoluteness in regards to its core values with skillful, delicate statesmanship and diplomacy. For that, it needs a clear strategic vision, understanding and planning – and it needs to know itself[45]. It should address first things first, dealing with the rest later. The perfect should not become the enemy of the good – or, to paraphrase, the ideal should not become the enemy of the possible.

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43   Similar to what Hedley Bull (1977) described as "neomedieval" world.
44   See Ostatník, V., Svet v roku 2022, in Pohár Čistého, available online at: https://poharcisteho-sk.webnode.sk/svet/
45   This also implies investing more resources in the (collective) analytical capabilities, fostering better understanding of reality, and producing strategic foresight and various scenarios; also fostering partnerships with academia.