

**Seen from America:
What to Expect from the French Presidency of the European Union,
July-December 2008
(1st part)**

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Summary

Weeks from the beginning of the French Presidency of the European Union, Justin Vaisse proposes an overview of the political context, the priorities, and the perspectives of success of this presidency. This week, in a first essay, he presents briefly the logistical aspects of the exercise - the organisation, in six months, of thousands of meetings, summits and negotiations between all 27 member states – as well as its conditions – trying to advance a European agenda which is largely predetermined, all the while trying to reconcile national and European interests. Although the international context presents many obstacles, relations between France and its principle partners seem good -or have recently improved, as is the case with Germany. The institutional context, however, is less clear: France will have to both ensure that it doesn't threaten the ratification process of the Lisbon Treaty by all member states nor further negotiations concerning its application in 2009. Next week, this analysis will continue with an examination of the priorities faced by the French presidency and of the challenges faced by "Sarkozy the European".

No one should be fooled by the grandiose sounding phrase "Presidency of the European Union": there is less in the function than meets the eye. Indeed, the best analogy might come from Richard Neustadt's classic book about the American presidency, casting it as the mere "power to persuade" the other branches of government to get things done. Neustadt famously quoted Harry Truman on the challenges his recently elected successor, General Eisenhower, would soon face: "He'll sit here, and he'll say, 'Do this! Do that!' *And nothing will happen*. Poor Ike—it won't be a bit like the Army. He'll find it very frustrating."¹

Similarly, and even without an Army background, Nicolas Sarkozy will soon experience firsthand the limits and frustrations of France holding the 6-month rotating presidency of the European Council – a task consisting primarily in organizing and chairing some 4,000 meetings and summits of the 27 countries and tirelessly trying to persuade them to adopt bold common positions on sensitive issues. Indeed, far from being in a position to dictate its own political agenda, the country holding the presidency is often forced to make sacrifices for the sake of European unity – and for fulfilling its responsibilities as president. Better metaphors for this sobering role might include the migration of Monarch butterflies – each generation passing the torch of the European journey to the following one – or, more positively, agriculture and forestry: the country presiding over the EU "reaps what others have sowed and sows what others will reap", as European MP Alain Lamassoure recently put it².

¹ Richard E. Neustadt, *Presidential Power, the Politics of Leadership*, New York: Wiley, 1960, p. 9. Emphasis in the original.

² Alain Lamassoure, "Le grand retour de la France en Europe," interview with *La Revue Internationale et Stratégique*, No 69, Spring 2008, p. 147.

Moreover, as is the case for the patient farmer with the weather, the success of a particular EU presidency is largely dependent on factors beyond its control. First, the EU has its own political rhythm, and a presidency has no choice but to make the best of a largely pre-determined agenda. It cannot, in other words, pick its own winning issues. In 2000, for example, the previous French presidency had to oversee the final step of a painful and complex institutional reform process concerning future enlargements and deliver a treaty. It resulted in the Nice Treaty, described as a "half-success"³.

Second, the international scene can be conducive to European cooperation, or it can be divisive – as the Iraq war proved to be, for example. The particular political landscape prevailing in each European capital during these fateful six months plays a crucial role as well. In June 2007, German Chancellor Angela Merkel was able to pull off an agreement to salvage the Constitutional Treaty thanks not only to her skills, but also to the election of Nicolas Sarkozy in May. Had Ségolène Royal, Sarkozy's socialist rival, been elected, France would not have agreed to a downsized version of the Constitutional treaty to be ratified through Parliament – rather than through a dangerous referendum. In turn, the German presidency wouldn't have been able to achieve the major success it netted, which resulted in the Lisbon Treaty signed under the Portuguese presidency (December 2007).

That said, the "power to persuade" other member states is not insignificant either. The country holding the presidency of the EU can make a difference, if it clearly enunciates its objectives and invests in systematic negotiations with the 26 other member states. Additional lessons from the 2007 German presidency, as drawn by researchers from the SWP⁴, include the importance of an impartial presidency, which is always harder for a major country than for a smaller one; domestic unity of purpose, which was not the case in 2000 when France at that time had a divided government (*cohabitation*); and a deep personal commitment of the top leadership – followed by a dedicated and able team of advisers – to succeed.

Before getting to the priorities of the French presidency and gauging its chances of success, let's first have a look at the cards France is likely to be dealt on July 1, from an international, and then an institutional, perspective.

Setting the scene: the international situation, July – December 2008

While no one can predict which events and crises will dominate the international landscape in the second half of 2008, it seems safe to say that this period is unlikely to be calm. The country holding the rotating presidency of the European Council becomes the voice of Europe, and along with the High Representative for Common Security and Defense policy (Javier Solana) and the Commissioner for External Relations (Benita Ferrero-Waldner), it tries to find a common ground on major issues, from crisis situations to the EU negotiating position in international conferences.

An excellent example is the current debate over participation – or non-participation – of Nicolas Sarkozy and other heads of state in the opening ceremony of the Beijing Olympic Games on August 8 – and more broadly over the question of Tibet. Sarkozy has insisted he would try to find a unified EU position, and although the opening of talks between Beijing and representatives of the Dalai Lama might facilitate his quest, for now, European capitals remain divided. France will also have to deal with the current financial turmoil, including the high exchange rate of the euro against the dollar which hurts EU exports (but on which the presidency has no or little leverage) as well as high oil prices and the food crisis. The end of the Bush administration and the beginning of the transition period in Washington might also

³ Christian Lequesne, "The French Presidency. The half success of Nice", *Journal of Common Market Studies*, Vol. 39, September 2001.

⁴ See Daniela Kietz, Volker Perthes (ed.), *The Potential of the Council Presidency, An Analysis of Germany's Chairmanship of the EU, 2007*, SWP Research Paper 2008/RP 01, January 2008, available at http://www.swp-berlin.org/en/produkte/swp_studie.php?id=8619&PHPSESSID=c7c5a59394532314374891f8939aefbd

distract America and open a window of opportunity for potential trouble-makers around the world.

The advantage for France and other big member states lies in the availability of large diplomatic resources, which can be put to the service of the EU. On the other hand, these big countries have a wider array of national interests in the world and often have positions of their own which are not always shared by other member states. This can create a possible conflict of interest between their position as President of the European Council and their national preferences.

- On Iran, for example, since 2003 France has consistently taken a harder line than its partners, especially Germany and Italy. If the crisis over Iranian nuclear facilities escalates in the summer or the fall, Paris will have to find acceptable common ground between its own inclinations and the more moderate views of Berlin, Rome, and possibly London.
- Another example of this type of dilemma is Turkey. While Nicolas Sarkozy is opposed to eventual membership of Ankara in the EU, preferring a far-reaching "privileged partnership", he has been obliged to renounce his earlier campaign promise to put an abrupt end to accession negotiations. Instead, he accepted a compromise in order to avoid jeopardizing his standing among other EU member states – a move which has preserved his credibility as a future president of the EU while hurting his standing at home among certain constituencies⁵.
- A third example is the "Union for the Mediterranean", another pledge from the 2007 presidential campaign. Nicolas Sarkozy's plan was to set up a new organization to promote concrete projects and foster dialogue among states bordering the Mediterranean Sea – a major geopolitical flashpoint. France received endorsements from Italy and Spain, among others, but Germany objected to the project, claiming it was redundant with the EU Barcelona process and risked increasing regional polarization by excluding Northern states of the EU (although the project was no different from the "Council of the Baltic Sea States" set up by Germany in 1992 which excluded the Southern states of the EU.⁶) In order to improve French-German cooperation, which had been strained in the previous months, and pave the way for a more serene French presidency of the EU, Nicolas Sarkozy agreed at a March 3, 2008 meeting with Angela Merkel in Hanover, to scale down his project and fold it into the existing Barcelona process. The "Union for the Mediterranean" will be launched on July 13, 2008, in Paris, with all 27 EU member states. It is expected that the European Union will invest some \$25 billion into cooperation with non-EU Mediterranean countries until 2013⁷. It remains to be seen, however, if this new impulse given to EU Mediterranean policy, especially in the form of concrete projects and public-private partnerships, will be able to overcome the traditional obstacles which have marred the Barcelona process since its inception – namely, diplomatic quarrels (Algeria vs. Morocco, or Arab states vs. Israel) and autocratic rule.

This last issue demonstrates how important relations with other member states are for the country holding the presidency. And as far as France is concerned, no relationship is more crucial than that with Germany. This relationship has been somewhat strained in 2007 and early 2008, due to a number of factors. Sarkozy's style has been an irritant, as he was seen as stealing the show from Angela Merkel for the deal on a modified treaty in June 2007 and the liberation of Bulgarian nurses from Libya in July. More generally, Sarkozy has been criticized for failing to consult with Germany early or often enough. Criticism of the EU Central Bank (ECB) and its monetary policy from the Elysée has not been well received in Berlin, where this issue is seen as beyond the reach of politics. And tensions over the Union for the Mediterranean project only added to existing strains. But in recent months, as

⁵ For more on French-Turkish relations, see my contribution "Slamming the Sublime Porte ? Challenges in French-Turkish Relations from Chirac to Sarkozy", 28 January 2008, available at http://www.brookings.edu/papers/2008/0128_turkey_vaisse.aspx

⁶ On the Council of the Baltic Sea States (CBSS), see <http://www.cbss.st/>. France, as well as Italy and the UK, among others, finally got an "Observer" status after seven years.

⁷ See Euractiv.com, "Summit approves 'Union for the Mediterranean'", 14 March 2008, available at <http://www.euractiv.com/fr/elargissement/sommet-approuve-union-mediterranee/article-170987>.

symbolized by the compromise reached in Hanover on March 3rd, Paris has made a concerted effort to improve ties with Germany. There are certainly remaining issues of disagreement, such as the role of nuclear energy, but the relationship between Paris and Berlin is no longer dysfunctional, and this bodes well for the French presidency⁸.

In Rome, Nicolas Sarkozy finds a new ally in Silvio Berlusconi, the recently re-elected Italian Prime Minister. Whether it is immigration reform, the protection of European firms from unfair competition, or even the call to the ECB for a more relaxed monetary policy, Sarkozy and Berlusconi see eye-to-eye on many issues.⁹ In Madrid, Sarkozy also finds an ally on most subjects, such as immigration where the recent toughening of José Luis Zapatero's stance draws him closer to Sarkozy after their past quarrel on this issue. And even if some areas of disagreement with London remain, for example on the Turkish candidacy or the degree of "autonomy" for European defense, Nicolas Sarkozy is also hoping to enlist the support of Gordon Brown on most issues. Furthermore, Paris has taken steps to establish better ties with Eastern Europe, Poland in particular, including offering Ukraine an upgraded "neighbourhood policy" package which will be concluded at the EU-Ukraine summit of September 2008.¹⁰ Indeed, Poland has recently sounded much more open to giving a new impetus to European defense – one of Sarkozy's priorities – whether on the institutional side¹¹ or on the operational side, by its participation in the European force in Chad to protect refugees from Darfur.

To conclude on the international landscape, it should be noted that no new initiative or breakthrough is to be expected with regard to Transatlantic relations, due to the political situation in Washington. It is a widely observed rule not to spend diplomatic capital with a lame duck administration. And starting November 5th, 2008, the McCain or Obama transition team will be busy with more pressing issues than the ones dealt with by the EU. The only way the French presidency of the EU relates to America is through Sarkozy's plan to bolster European defense and, provided it is the case, have France fully rejoin the integrated military structure of NATO in 2009, as will be explained below.

Setting the scene: the institutional situation, July – December 2008

France will be the last big country to hold the rotating presidency of the EU with its full array of responsibilities before the rules change. Starting in 2009, a new office will be inaugurated, that of "President of the European Council", a personality elected by the 27-member Council for two and a half years (renewable once) who will be in charge of the Council's work and of being the "face of the EU" in the international arena. The 6-month rotating presidency among member-states will not disappear, but it will lose some of its power, to the benefit of greater stability and improved logistics and coordination for the EU. Another innovation will be the strengthening of the "High Representative of the Union for Foreign Affairs and Security Policy", a position currently held by Javier Solana. By merging this existing position with that of the European Commissioner for external relations (currently Benita Ferrero-Waldner), he or she will become vice-President of the European Commission as well as chair of the Foreign Affairs Council at the Council of Ministers. This enhanced position of High Representative will be further reinforced by the setting up of the "European External Action Service", in other words an EU diplomatic corps, and the gradual deployment of these Euro-diplomats around the world.

All of these innovations, however, depend upon the ratification of the Lisbon Treaty by all 27 member states. And while there is good hope that, unlike in 2005 when France and the Netherlands rejected the Constitutional treaty through referendums, no country, this time, will prevent the implementation of the much-needed changes (which include many other

⁸ Cécile Calla, « Nicolas Sarkozy veut raviver la flamme du couple franco-allemand », *Le Monde*, 2 May 2008.

⁹ See Federiga Bindi "Toward a Full-Fledged Democracy: Why Progressives should be happy about the Italian election results", Spring 2008, available at http://www.brookings.edu/papers/2008/spring_italy_bindi.aspx

¹⁰ Nathalie Nougayrède, "La France regarde vers l'Est et plaide pour l'Ukraine en Europe", *Le Monde*, 29 April 2008.

¹¹ See Judy Dempsey, "Poland Calls for Stronger EU Military", *International Herald Tribune*, 24 April 2008.

aspects¹²). Nevertheless there is still a chance that it could go awry. The main worry is Ireland, who will hold a referendum on June 12. Another worry is the UK, even though the Treaty cleared the House of Commons on March 11 and is expected to clear the House of Lords on June 11. A constitutional challenge in Germany could result in delaying its adoption, and there may be unforeseen bumps along the road.

The issue of ratification of the Lisbon treaty impacts the French presidency in two important ways.

First, it prevents Nicolas Sarkozy from making bold statements of purpose or even taking bold public initiatives as long as the 27 members have not yet ratified the treaty, out of fear that this could antagonize public opinion or parliaments and lead to a rejection of the treaty altogether. This is especially true for any proposed reinforcement of European defense, which is one of the priorities for Paris, but which remains a sensitive issue in Ireland – still a neutral country – and in the UK, where Atlanticist Euro-skeptics abound. Indeed, any discussion with Gordon Brown will have to wait until full ratification of the treaty. Once London and Dublin have ratified the treaty, there will be more breathing room, but it won't be before the late Fall – i.e. the end of the French presidency – that countries like Finland, Sweden or the Netherlands will ratify the treaty – and this will certainly affect France's ability to break new ground.

Second, France will have to prepare the implementation of a not-yet-ratified treaty, supposed to enter into force on January 1st, 2009, without being the country holding the presidency in the first or the second semester of 2009 (it will be the Czech Republic and then Sweden, both countries with which France is working as a "trio" on the implementation of the Lisbon Treaty and other shared priorities). This will force Paris to act largely behind the scenes to solve the many pending issues on how, exactly, to implement a text which was the result of difficult negotiations and hence often purposefully vague.

Even though the election of the President of the Council and the new High Representative will happen in 2009, it is hard to imagine that these highly publicized issues – which were designed in part to create interest among public opinion by personalizing the EU process – won't be discussed during the French presidency. Who will replace Javier Solana as High Representative? And who will be elected "President of Europe", thus finally answering Henry Kissinger's famous question about Europe's phone number? Names have circulated, including that of Tony Blair, Bertie Ahern, Carl Bildt, Jean-Claude Juncker and Angela Merkel. The process and the agenda remain, of course, very unclear at this stage. If ratified, the Lisbon Treaty will enter into force on January 1, 2009. However, since there are European elections in June, it might be best to wait to designate the President and, in particular, the High Representative, who will be sworn in by the Parliament, until July, so as to start with fresh new teams in all EU bodies. Many other important, if less grandiose, institutional changes, will have to be discreetly prepared by the French presidency, like the External Action Service, or the "permanent structured cooperation," which brings us to the first priority of the French presidency, European defense. Next week we will present the four priorities of Paris and we will try to estimate the success chances of "Sarkozy the European".

To be continued.

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¹² See an executive summary of these changes by the Fondation Robert Schuman, "Understanding the Lisbon Treaty in 10 fact sheets", available at <http://www.robert-schuman.org/tout-comprendre-sur-le-traite-de-lisbonne.php?r=1>