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## From 'Helsinki' and Development Aid to Multipolar Hard Ball

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### Introduction

This chapter argues that the European Communities (EC) and then the European Union (EU) rapidly became an international *political* actor which, despite the lack of military tools, did not limit its actions to the exercise of soft or civilian power.

Since the 1990s, numerous political scientists have debated the nature of the EU as an international actor, proposing the similar concepts of civilian power,<sup>1</sup> quiet superpower,<sup>2</sup> normative power,<sup>3</sup> transformative power<sup>4</sup> and liberal power.<sup>5</sup> Many debated and reappraised these definitions.<sup>6</sup> In the last 20 years, several historians have added their contributions to studies about the international political role of the EC/EU, revealing how the EC polity increasingly asserted itself as more than just an international economic

1 M. Telò, *Europe: A Civilian Power? European Union, Global Governance, World Order* (Basingstoke, Palgrave Macmillan, 2006). The concept appeared first in F. Duchêne, 'Europe's Role in World Peace', in R. Mayne (ed.), *Europe Tomorrow: Sixteen Europeans Look Ahead* (London, Fontana, 1972), pp. 32–47.

2 A. Moravcsik, 'Europe: The Quiet Superpower', *French Politics* 7, no. 3–4 (2009): 403–22.

3 I. Manners, 'Normative Power Europe: A Contradiction in Terms?', *Journal of Common Market Studies* 40, no. 2 (2002): 235–58.

4 M. Leonard, 'Ascent of Europe', *Prospect* 108 (March 2005): 34–7.

5 W. Wagner, 'Liberal Power Europe', *Journal of Common Market Studies* 55 (2017): 1398–414.

6 C. Hill, 'European Foreign Policy: Power Bloc, Civilian Model or Flop?', in R. Rummel (ed.), *The Evolution of an International Actor* (Boulder, CO, Westview Press, 1990), pp. 31–55; T. Diez, 'Constructing the Self and Changing Others: Reconsidering "Normative Power Europe"', *Millennium* 33, no. 3 (2005): 613–36; K. E. Smith, 'Beyond the Civilian Power EU Debate', *Politique Européenne* 17, no. 1 (2005): 63–82; J. Orbie, 'Civilian Power Europe: Review of the Original and Current Debates', *Cooperation and Conflict* 41, no. 1 (2006): 123–8; S. Lucarelli and I. Manners (eds.), *Values and Principles in European Foreign Policy* (London and New York, NY, Routledge, 2006); M. Loriaux, 'Many Europes and the Problem of Power', *Comparative European Politics* 14, no. 4 (2016): 417–34.

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heavyweight, with some successes, some failures and several limitations.<sup>7</sup> This chapter intends to offer a critical historical overview of the EC/EU's international political role focused on what the EC/EU actually did, how and why it did it, and how it was perceived by its interlocutors.

It is necessary to first clarify the meanings of the terms that will be used. Joseph S. Nye conceptualised 'soft power' as the ability of a country to persuade – not coerce – other countries to adopt the actions or behaviours it wants. The soft-power toolkit would include cultural exchange and public diplomacy, but no instruments that either (threaten to) punish or (promise to) reward.<sup>8</sup> Soft power is one extreme in a continuum of ways in which an international actor can influence others' behaviours; at the opposite extreme is the use of force and in the middle are the promise or use of rewards (e.g., aid) as well as non-violent punishment (e.g., economic sanctions).<sup>9</sup> Some foreign policy instruments have a dual nature: conditionality, for example, can be an inducement (benefits will be granted if certain conditions are met) or a coercion tool (benefits will be cut if conditions are violated).<sup>10</sup> Nye considers coercion and inducement in the category of hard power, as both are used to command or control others' behaviour.<sup>11</sup> Civilian powers rely on soft power (persuasion and attraction) and pursue 'civilian ends', that is, international cooperation, solidarity and the strengthening of international law; whereas power blocs use inducement and coercion (carrots and sticks) to achieve their goals.<sup>12</sup>

Upon its first enlargement in 1973, the EC became the largest and richest trading bloc and aid donor in the world. It could thus exercise much leverage

7 See, for example, G. Bossuat (ed.), *L'Europe et la mondialisation* (Paris, Soleb, 2006); A. Deighton and G. Bossuat (eds.), *The EC/EU: A World Security Actor?* (Paris, Soleb, 2007); A. Romano, *From Détente in Europe to European Détente: How the West Shaped the Helsinki CSCE* (Brussels, Peter Lang, 2009); A. Varsori and G. Migani (eds.), *Europe in the International Arena during the 1970s: Entering a Different World* (Brussels, Peter Lang, 2011); M. Gainar, *Aux origines de la diplomatie européenne: Les Neuf et la coopération politique européenne de 1973 à 1980* (Brussels, Peter Lang, 2012); C. Hiepel (ed.), *Europe in a Globalizing World 1970–1985* (Baden-Baden, Nomos, 2014); L. Ferrari, *Sometimes Speaking with a Single Voice: The European Community as an International Actor, 1969–1979* (Brussels, Peter Lang, 2016); U. Krotz, K. K. Patel and F. Romero (eds.), *Europe's Cold War Relations: The EC towards a Global Role* (New York, NY, Bloomsbury Academic, 2019).

8 J. S. Nye, Jr, 'Soft Power', *Foreign Policy* 80 (1990): 153–71.

9 K. J. Holsti, *International Politics: A Framework for Analysis*, 7th ed. (Hoboken, NY, Prentice Hall, 1995), pp. 125–6.

10 Smith, 'Beyond the Civilian Power EU Debate', 67.

11 J. S. Nye, Jr, *Soft Power: The Means to Success in World Politics* (New York, NY, Public Affairs, 2004), p. 7.

12 Hill, 'European Foreign Policy'; Smith, 'Beyond the Civilian Power EU Debate', 67–9.

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in its external relations, and it seems quite implausible that it would have limited its methods to soft power. Moreover, when the persuading actor interacts with much less powerful states, the latter may perceive its intent as not being mere persuasion. Accordingly, this chapter does not consider the EC/EU a civilian power; it rather agrees with Smith that the EU is a hybrid of civilian power and power bloc and applies this interpretation to the EC's experience during the Cold War.<sup>13</sup>

This chapter explores the foreign policy of the EC polity from the mid 1960s to the mid 1990s, focusing on the Conference on Security and Cooperation in Europe (CSCE) and the ensuing Helsinki process, East–West relations and the political use of development aid.<sup>14</sup> The expression 'EC polity' encompasses both the Community and the member states acting collectively. The focus is on the pursuit of aims that were explicitly political and/or related to security, whereas foreign economic policy (where both objectives and means are economic) is covered by other chapters in this volume.

The chapter is organised in three chronological sections with similar structure. After a summary of the international situation in which the EC polity operated, each section describes the foreign policy apparatus and presents EC foreign policy objectives as set in declarations or internal meetings. Each section then reports cases that elucidate the EC polity's exercise of power in the areas under scrutiny and its impact. The conclusion appraises the trends regarding the use of inducement and coercion (hard power) in the EC/EU's foreign policy and discusses some central questions common to the *CHEU* – continuity versus change; 'Maastricht' as a turning point; and the impact of enlargements on EC/EU power in terms of capabilities, motivation and effectiveness.

### From the Mid 1960s to 1975: The Stepping Stones

#### *The International Environment*

The environment in which the EC operated between the mid 1960s and the mid 1970s was characterised by the struggle of developing countries to redesign relations with the rich states and by the relaxation of

<sup>13</sup> K. E. Smith, *European Union Foreign Policy in a Changing World*, 2nd ed. (Cambridge, MA, Polity Press, 2008), p. 22.

<sup>14</sup> On the EC's development policy and relations with African, Caribbean and Pacific countries, see Guia Migani's Chapter 3 in this volume.

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tensions – known as *détente* – between the two Cold War blocs. *Détente* had been initiated by French President Charles de Gaulle and then pursued by all western European governments, with the Federal Republic of Germany the latecomer yet fundamental player. Western European *détente* aimed at making life more liveable for Europeans in the short term and overcoming the Cold War divide of the continent in the long run. This transformative goal was pursued through the proliferation of contacts at all levels and cooperation in many fields, with the idea that socialisation would ultimately effect the desired change.<sup>15</sup> In January 1969 new US President Richard Nixon called for both an era of negotiations with the Soviets and partnership with the European allies.

Yet the keynote of the Nixon presidency was the pursuit of US national interests. Superpower *détente* was meant to reduce the costs of confrontation and consolidate superpower (con)dominium, while partnership with the Europeans was rather a call to burden sharing. Economically, western Europe was considered a strong competitor – summarised by Nixon with ‘European leaders want to “screw” us and we want to “screw” them in the economic area.’<sup>16</sup> Politically, European *détente*’s transformative nature disturbed superpower *détente*, and Nixon and National Adviser Henry A. Kissinger proved anything but supportive of it. Likewise, the Kremlin’s peaceful coexistence (the Soviet version of *détente*) aimed at consolidating the USSR’s international status and strengthening the socialist bloc, promoting economic cooperation while continuing ideological competition. In March 1969, the Warsaw Pact called for a pan-European security conference encompassing an economic cooperation component aimed at overcoming discriminatory blocs. The entire EC polity read it as a worrisome reference to the Community, which the socialist countries did not recognise. Overall, the perception of an opening window of opportunity and concerns for both US and Soviet challenges prompted the EC polity to elaborate a common foreign policy to advance core EC political interests and goals.

<sup>15</sup> See, for example, W. Loth and G.-H. Soutou (eds.), *The Making of Détente: Eastern and Western Europe in the Cold War, 1965–75* (London and New York, NY, Routledge, 2008); F. Bozo, M.-P. Rey, N. P. Ludlow and B. Rother (eds.), *Overcoming the Iron Curtain: Visions of the End of the Cold War in Europe, 1945–1990* (Oxford, Berghahn Books, 2012); O. Bange and P. Villaume (eds.), *The Long Détente: Changing Concepts of Security and Cooperation in Europe, 1950s–1980s* (Budapest, Central European University Press, 2017).

<sup>16</sup> *Foreign Relations of the United States, 1969–1976*, vol. 111: *Foreign Economic Policy; International Monetary Policy, 1969–1972*, Doc. No. 100, Memorandum of Conversation, 11 September 1972, p. 264.

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*The (Creation of a) Foreign Policy Machinery*

The 1960s saw several proposals for political cooperation; ultimately the summit at The Hague in December 1969 recorded consensus for European Political Cooperation (EPC).<sup>17</sup> The ensuing Luxembourg – or 'Davignon' – Report, drafted by the EC foreign ministers and approved on 27 October 1970, established EPC as an intergovernmental mechanism for foreign policy cooperation. It consisted of meetings of the foreign ministers (every 6 months); meetings of political directors (at least four times per year); ad hoc working groups of experts; and meetings of the heads of state and government if serious issues so required. The Commission could be invited to share its views when discussions affected EC activities. The mechanism worked on the principle of informality, with a commitment to consult and attempt to create a common view, but no legal obligation to agree one.<sup>18</sup>

The first EPC meeting on 19 November 1970 endorsed the Belgian proposal to collectively engage with the pan-European security conference proposal (the future CSCE). EPC also developed specific procedures to coordinate the EC states' stance within the North Atlantic Treaty Organization (NATO), where the CSCE was already being discussed; the EC states did not mean to undermine NATO, yet were determined to assert their common vision and defend EC interests.<sup>19</sup> The Copenhagen report on EPC (1973) described the EC as a 'distinct entity' that would bring its 'original contribution to the international equilibrium'.<sup>20</sup> Then the Paris Summit of December 1974 – which launched the European Council – sanctioned the first link between EPC and the Community, with the EC President-in-Office identified as the spokesman for the group in international diplomacy.<sup>21</sup> With the member states' top political level now steering both Community integration and foreign policy cooperation, the foundations were laid for a power bloc building on the economic might of the Community and guided by the political vision of its members. With the first enlargement to the UK,

17 M. E. Guasconi, *L'Europa tra continuità e cambiamento: Il vertice dell'Aja del 1969 e il rilancio della costruzione europea* (Florence, Polistampa, 2004), p. 174.

18 'Davignon Report (Luxembourg, 27 October 1970)', *Bulletin of the European Communities* no. 11 (1970): 9–14.

19 A. Romano, 'A Single European Voice Can Speak Louder to the World: Rationales, Ways and Means of EPC in the CSCE Experience', in M. Rasmussen and A. Knudsen (eds.), *The Road to a United Europe: Interpretations of the Process of European Integration* (Brussels, Peter Lang, 2009), pp. 257–70.

20 'Second Report on European Political Cooperation on Foreign Policy', *Bulletin of the European Communities* no. 9 (1973): 14–21.

21 'Final Communiqué of the Meeting of Heads of Government of the Community (Paris, 9 and 10 December 1974)', *Bulletin of the European Communities* no. 12 (1974): 6–13.

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Denmark and Ireland on 1 January 1973, the EC had become the first trade power in the world, and this large economic weight entailed a clear political opportunity.

*EC Rationales and Goals*

The Davignon Report identified the promotion of détente ‘first and foremost’ in Europe as a key responsibility of the EC.<sup>22</sup> Speaking before the European Parliament on 8 June 1971, EC Commission President Franco Maria Malfatti declared, ‘the Seventies should see the consolidation of a new atmosphere between us and the countries of the East’.<sup>23</sup> This goal ensued from the willingness to join national détente efforts but also from the need to safeguard the Community. The reference to the elimination of discriminatory blocs made in the Warsaw Pact proposal for a CSCE was perceived as threatening due to the socialist regimes’ non-recognition of the EC. The situation became more problematic due to the forthcoming extension of the EC’s Common Commercial Policy (CCP) to those countries, which would forbid bilateral trade agreements between them and the EC states. The positive international juncture and the implementation of the CCP on 1 January 1973 created the political necessity and possibility of a common détente policy.

The Commission was vocal about the urgency of the matter, and the first EPC ministerial meeting agreed that a collective eastern policy was required. In May 1971 EPC set the guidelines for it: cooperation with socialist countries should not prejudice the EC and its development; priority should be given to establishing relations between the Community and each socialist country; any agreement likely to strengthen the Soviet hold on its allies should be rejected. Thus there was explicit opposition to the idea of a trade deal with the Council for Mutual Economic Assistance (CMEA), which would contradict the last two of the three guidelines.<sup>24</sup> Trade was an end in itself, but also a means to political ends. First of all, EC trade agreements with socialist countries would signal their recognition and thus enhance the EC’s international reach. Secondly, member states’ national détente policies largely relied on economic means to improve political relations with socialist countries, and so could an EC collective policy.

<sup>22</sup> ‘Davignon Report’.

<sup>23</sup> Quoted in A. Romano, ‘Untying Cold War Knots: The EEC and Eastern Europe in the Long 1970s’, *Cold War History* 14, no. 2 (2013): 153–73, 160.

<sup>24</sup> *Ibid.*, 160.

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The CSCE was an integral part of this emerging eastern policy; EC governments were the driving force behind NATO's conditional acceptance, in December 1969, of the pan-European conference idea vis-à-vis a sceptical US administration.<sup>25</sup> At the Paris Summit of 1972, the EC states affirmed 'their determination to pursue their policy of détente and of peace with the countries of eastern Europe, notably on the occasion of the Conference on Security and Cooperation in Europe, and the establishment of a sound basis for a wider economic and human cooperation'.<sup>26</sup>

*EC Foreign Policy Action*

The Final Act of the CSCE signed on 1 August 1975 called for balanced progress in three areas: questions of security in Europe, including principles guiding relations among participating states and confidence-building measures (so-called Basket I); cooperation in the fields of economics, science, technology and the environment (Basket II); and cooperation in humanitarian and other fields (Basket III). The 1975 European Councils in Dublin (March) and Brussels (July) praised the EC states' unitary action at the CSCE and emphasised their common vision of détente as a dynamic process.<sup>27</sup> In this respect, the CSCE represented a tool for the exercise of soft power and the pursuit of civilian ends: its provisions strengthened international law, promoted international cooperation in various fields and encouraged the facilitation of people-to-people contacts.

Yet the way the EC polity conducted the negotiations distinguished the EC group as playing diplomatic hardball. On the one hand, the EC group engaged in consultations with NATO allies as well as neutral and non-aligned countries; it also offered socialist countries genuine openings on economic cooperation. On the other hand, the EC polity set non-negotiable goals and pursued them determinedly until it had achieved their satisfaction. For a start, Basket III provisions on the freer circulation of ideas, people and information were the epitome of western European détente. The EC polity resisted all attempts of the socialist countries to scrap, contain or weaken Basket III. It also proved impervious to Kissinger's numerous statements about the pointlessness of provisions facilitating human contacts and to the

25 Romano, *From Détente in Europe to European Détente*, pp. 71–8.

26 'Déclaration du sommet de Paris', *Bulletin des Communautés européennes* no. 10 (1972): 15–16.

27 'The European Council [Dublin Summit 1975], Dublin, 10–11 March 1975', <http://aei.pitt.edu/1921>; 'The European Council [Brussels Summit 1975], Brussels, 16–17 July 1975', <http://aei.pitt.edu/1427>.



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US administration's intensifying pressure to give the Soviets 'the short snappy conference with little substance' they wanted.<sup>28</sup> Indeed, the CSCE provisions represented a formidable challenge to the stability and legitimacy of the socialist regimes.<sup>29</sup> The EC delegations stuck to their requests, slowed down work in the other baskets to prevent negotiations in Basket III from being hastened to an end, refused to agree to a top-level final phase until concrete results had been reached on human contacts and eventually threatened to quit should the Soviets still refuse concessions. Thirty years after Helsinki, former Soviet ambassador Yuri Kashlev, who negotiated in Basket III, admitted that results therein came from the pressure that western European governments put on the Soviets, even at the highest level.<sup>30</sup>

The EC polity also carefully planned how to push recognition of the Community. Challenging the basic fact that the CSCE was convened among *states*, EC members operated to make the EC *as such* part of the negotiations. First, as states had the right to compose their delegations freely, Commission representatives joined the delegation of the state holding the EC presidency and expressed the official position of the Community when its competence so required. EC states resisted protests from the socialist delegates, and negotiations in Basket II eventually proceeded with socialist acquiescence. Secondly, the EC polity insisted that the EC as such should sign the Final Act. As this encountered vigorous socialist opposition, the EC governments declared it a non-negotiable condition for their assent to closing the CSCE at the summit level. Facing this intransigent position, the Soviets gave in, because Brezhnev had associated his name with the CSCE and could not risk failure. The signature of Italian Prime Minister Aldo Moro as president of the EC Council formally engaged the EC *as such* in the CSCE process.<sup>31</sup> Carefully prepared, acting as a unitary front and playing hardball, the EC group established itself as a force to be reckoned with. The Nixon administration was annoyed with the EC's determination to pursue its own goals; the Soviets complained repeatedly about the EC's attitude during bilateral meetings with Nixon and Kissinger as well as with western European leaders. Such complaints amounted to another form of recognition that the EC had proven to be a tough political player.

28 Quoted in A. Romano, 'Détente, Entente or Linkage? The Helsinki Conference on Security and Cooperation in Europe in U.S. Relations with the Soviet Union', *Diplomatic History* 33, no. 4 (2009): 703–22, 714.

29 D. Selvage and W. Süß, *Staatssicherheit und KSZE-Prozess: MfS zwischen SED und KGB (1972–1989)* (Göttingen, Vandenhoeck & Ruprecht, 2019).

30 Romano, *From Détente in Europe to European Détente*, pp. 212–13. 31 *Ibid.*, pp. 206–12.



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The policy towards the socialist countries is a full example of the EC acting as a power bloc, doling out economic rewards or withholding benefits to induce change in its interlocutors' behaviour. The EC polity had repeatedly stated that it had no interest in an EC–CMEA trade agreement, and that socialist countries should each establish relations with the Community to regulate trade. The EC members used the CCP implementation to pressure the socialist regimes into this. Mandated by the EC Council, in November 1974 the Commission sent each socialist government a letter explaining that as of 1 January 1975 bilateral trade agreements with EC states would no longer be possible, as trade competence was transferred to the Community. The Commission invited the recipient to open comprehensive negotiations, for which it enclosed a draft agreement; the latter addressed most of the socialist concerns, namely import quotas, most favoured nation treatment, safeguard mechanisms and payment problems. The promise of continued (and better) access to the EC wide(ning) market was clearly an inducement to move them to recognition. At the same time, the EC showed what refusal to deal with the EC entailed: the Council of Ministers set up a common import regime as of 1 January 1975 and then unilaterally established the annual import quotas for the socialist countries; pending recognition, it would continue to act unilaterally.<sup>32</sup> The EC knew from previous years that this was no minor problem for the European socialist regimes, whose economic strategy relied heavily on exports to western European markets; the EC's protectionist common agricultural policy had severely impacted on socialist exports, leading Poland, Czechoslovakia, Hungary and Romania between 1964 and 1968 to informally approach the Commission and negotiate tariffs and quotas.<sup>33</sup> By 1974, the combined effect of the EC's first enlargement, the Western recession following the oil-price shock and the forthcoming CCP further narrowed the door also to socialist manufactured goods, which represented half of their exports to western Europe. As recent historiography has demonstrated, EC enlargement and policies caused major predicaments for the socialist regimes, spurred an intense debate within the bloc and progressively modified their strategies; the EC was recognised as a power bloc aware of its interests and determined to defend them.<sup>34</sup> Moreover, socialist

<sup>32</sup> Romano, 'Untying Cold War Knots', 163–4. <sup>33</sup> *Ibid.*, 160.

<sup>34</sup> S. Kansikas, *Socialist Countries Face the European Community: Soviet-Bloc Controversies over East–West Trade* (New York, NY, Peter Lang, 2014); A. Romano and F. Romero (eds.), *European Socialist Regimes' Fateful Engagement with the West: National Strategy in the Long 1970s* (London and New York, NY, Routledge, 2020).

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regimes noticed that the EC rewarded those among them which, while paying lip service to the bloc's non-recognition policy, were willing to deal with the Commission. For instance, Romania, more autonomous than the rest, requested and got access to the Community's Generalized Scheme of Preferences as of 1 January 1974.<sup>35</sup>

## The Period 1975–1985: Consolidation and Boldness

### *The International Situation*

In the immediate aftermath of the CSCE, international détente started to be questioned, particularly in the US Congress. Some Soviet actions – interference in the Horn of Africa; support for left-wing liberation movements in Angola and Mozambique; and deployment of a new generation of intermediate-range ballistic missiles (SS-20s) targeting western Europe – were interpreted as contrary to détente and openly aggressive. The Carter presidency remained committed to continuing superpower strategic negotiations, though the president's uncompromising stance on human rights did not help to relieve general tensions and contributed to jeopardising the Belgrade CSCE follow-up meeting (1977–8). At the turn of the decade, the Soviet invasion of Afghanistan spurred general condemnation in the West and sanctions from Washington. Then, new US President Ronald Reagan fully adopted a confrontational policy towards the Soviet Union, made of harsh rhetoric, economic warfare and an arms race. Unsurprisingly, following the imposition of martial law in Poland, the Reagan administration imposed economic sanctions against the Soviet Union, which it considered as bearing a heavy and direct responsibility for the repression in Poland. Reagan's Cold Warrior approach also applied to central America, the troubles of which were read through the lenses of superpower competition. The growing tension between the superpowers and the crisis in the heart of Europe challenged the new-born EC détente policy. At the same time, they offered the EC polity the opportunity to prove its autonomous role and capacity to speak with one voice and to advance its own interests and vision.

### *A More Coherent Foreign Policy Machinery*

Foreign policy became a regular chapter of the European Council's agenda, and EPC quickly grew beyond the practice recommended in the Copenhagen Report of 1973. Foreign ministers met far more frequently and discussed

<sup>35</sup> E. Dragomir, 'Breaking the CMEA Hold: Romania in Search of a "Strategy" towards the European Economic Community, 1958–1974', *European Review of History* 27, no. 4 (2020): 494–526.

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matters of political cooperation also during EC Council meetings; the Political Committee met on average once a month; expert working groups multiplied; and the Commission was increasingly involved.<sup>36</sup> The 1981 London Report on EPC established that the Commission should participate in all EPC meetings regardless of the topic, recognising that a collective foreign policy would benefit from joint EPC–EC action, especially in those situations where political and economic factors were closely interrelated. In other words, it invited the use of EC economic means to pursue political goals agreed in EPC. Moreover, the report officially extended the EPC's mandate to the 'political aspects of security questions'.<sup>37</sup>

In 1988, Pijpers estimated that three-quarters of the approximately 300 EPC declarations to date related to developing countries or regions.<sup>38</sup> Yet political considerations – or conditionality – would not become an element of EC development aid until November 1991; assessment of the domestic policy of the government receiving aid related solely to its developmental plans. Nonetheless, the Community made some exceptions for gross human rights violations.

#### *EC Foreign Policy Views*

As Soviet activities in Africa raised security concerns, the question of using economic sanctions to induce change in Soviet foreign policy emerged in transatlantic discussions. During the Rambouillet Summit of the Group of Six in November 1975, Italian Prime Minister Aldo Moro maintained that East–West trade was an important part of the process of détente that had been confirmed by the Helsinki Final Act; West German Chancellor Helmut Schmidt and French President Valéry Giscard d'Estaing expressed similar views.<sup>39</sup>

The events at the turn of the decade did not change the views of the EC polity. The West unanimously denounced the Soviet invasion of Afghanistan as incompatible both with the Charter of the United Nations and with

36 'External Political Relations of the European Community, Directorate General for Research and Documentation, No. 79/79, 1979', <http://aei.pitt.edu/4537>.

37 'Report on European Political Cooperation (London, 13 October 1981)', *Bulletin of the European Communities* suppl. 3 (1981): 14–17.

38 A. Pijpers, 'The Twelve Out-of-Area: A Civilian Power in an Uncivil World?', in A. Pijpers, E. Regelsberger and W. Wessels (eds.), *European Political Cooperation in the 1980s: A Common Foreign Policy for Western Europe?* (Dordrecht, Boston, MA and London, Martinus Nijhoff, 1988), pp. 143–65, 153–4.

39 A. Romano, 'G-7s, European Councils and East–West Economic Relations, 1975–1982', in E. Mourlon-Druol and F. Romero (eds.), *International Summitry and Global Governance: The Rise of the G-7 and the European Council, 1974–1991* (London and New York, NY, Routledge, 2014), pp. 198–222, 205.

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détente and called for complete Soviet withdrawal, yet western Europe did not adopt sanctions.<sup>40</sup> The worsening crisis in Poland, which culminated in the declaration of martial law in December 1981, seriously threatened détente in Europe, yet the EC polity still avoided confrontational tones and punitive tools. As the EC polity had dreaded a possible Soviet intervention in reply to the worsening Polish crisis, it did not see the imposition of martial law by the Polish authorities as a fatal blow to détente and was determined to avoid adding to tensions. Consequently, the ad hoc EPC ministerial meeting on 4 January 1982 condemned the Soviets for putting serious external pressure on Poland but did not attribute to them direct responsibility for the repression; it rather requested the Polish government ‘to end as soon as possible the state of martial law, to release those arrested and to restore a general dialogue with the church and Solidarity’.<sup>41</sup> The NATO extraordinary ministerial meeting on 11 January did not change EC states’ views, and the final communiqué could only mention ‘potential’ measures.<sup>42</sup>

Unlike the US administrations, western European governments still ‘recognised the role which economic and commercial contacts and cooperation have played in the stabilisation and the development of East–West relations as a whole and which [we] wish to see continue on the basis of a genuine mutual interest’, as stated by the European Council of 29–30 March 1982.<sup>43</sup> The fundamental view behind the EC polity’s approach was that trade and economic ties could reduce military threats in Europe, whereas economic warfare could incentivise the Soviet leadership to increase its military build-up.<sup>44</sup>

The EC polity was also concerned with Reagan’s muscular policy in central America, which they saw as driven by the same Cold War confrontational rationales. The EC polity considered the Reagan administration’s attempts at overthrowing the Sandinista regime in Nicaragua by military means as not only legally unacceptable but also as worsening regional instability; nor was US military aid to the right-wing government in El

40 Declaration of the Seven Heads of State and Government and Representatives of the European Communities, Venice, 23 June 1980, [www.g8.utoronto.ca/summit/1980venice/political.html](http://www.g8.utoronto.ca/summit/1980venice/political.html).

41 ‘Statements of the Foreign Ministers and Other Documents, European Political Cooperation, 1982’, <http://aei.pitt.edu/5584>.

42 NATO Ministerial Communiqué, ‘Declaration on Events in Poland’, 11 January 1982, [www.nato.int/docu/comm/49-95/c82011a.htm](http://www.nato.int/docu/comm/49-95/c82011a.htm).

43 ‘The European Council [Brussels Summit 1982], Brussels, 29–30 March 1982’, p. 182, <http://aei.pitt.edu/id/eprint/1431>.

44 H.-D. Genscher, ‘Toward an Overall Western Strategy for Peace, Freedom and Progress’, *Foreign Affairs* 61, no. 1 (1982): 42–66.

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Salvador against leftist guerrillas taken lightly. At the above-mentioned March 1982 meeting, the European Council discussed the situation in central America and noted that grave economic problems and social inequalities were at the root of conflicts in the region and therefore the best means to help stabilise the area were development aid and regional cooperation, not military interventions.<sup>45</sup>

*EC Action*

The Helsinki Process

The determination of the EC polity to pursue its own vision and interests was very visible at the CSCE follow-up meetings in Belgrade (1977–8) and Madrid (1980–3). The first follow-up meeting was crucial to confirm the participation of the EC as such. The EC states insisted on presenting the matter as a fact deriving from the existence of the Community, the ensuing obligations of its member states, the EC president's signature of the Final Act and his accompanying statement. More strikingly, the EC states agreed that, should protests be made by the socialist countries, they would make it clear that their participation in negotiations would be seriously hampered. This was no inconsequential threat, as economic cooperation was of great interest to the socialist bloc. The EC states' delegations thus engaged in constantly underscoring the EC's presence as embodied by the Commission representatives, with their competence to negotiate on specific matters and express the EC viewpoint. More formally, the proposals on matters of EC competence were tabled with the heading 'European Communities'. The determination of the EC polity was a major factor in winning the socialist delegations over, but so was the pragmatic approach of the EC Commission officials within Basket II and their capacity to present the Community as a constructive partner. As a result, not only did the socialist delegates negotiate directly with Commission representatives, but also the latter intervened on matters beyond the EC's exclusive competence and fully participated in all working bodies, including drafting and informal contact groups.<sup>46</sup>

From a civilian power perspective, one would expect the EC polity to seek the expansion of the CSCE agenda a priori, yet the EC polity used its diplomatic weight to prevent the adoption of proposals within the

<sup>45</sup> 'The European Council [Brussels Summit 1982]', p. 183.

<sup>46</sup> A. Romano, 'The European Community and the Belgrade CSCE', in V. Bilandzic, D. Dahlmann and M. Kosanovic (eds.), *From Helsinki to Belgrade: The First CSCE Follow-up Meeting and the Crisis of Détente* (Göttingen, Vandenhoeck & Ruprecht, 2012), pp. 219–21 and 224.

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Mediterranean chapter of the Final Act that were likely to interfere with the EC's Mediterranean policy. The Belgrade Concluding Document convened an expert meeting on Mediterranean issues, but its mandate was limited to exploring ways to promote cooperation in 'economic, scientific and cultural fields, *in addition to* other initiatives relating to the above subjects already under way'.<sup>47</sup>

The Madrid follow-up meeting saw the EC polity standing up to the Reagan administration, which was interested in using the CSCE as a stick. Despite an unprecedented show of Western cohesion – with NATO foreign ministers flying into Madrid to denounce the imposition of martial law in Poland – the allies clashed on the question of recess as well as on matters of substance. After 9 months of intense transatlantic arm-twisting the EC successfully killed off the US idea of a 2- or 3-year recess which, they argued, would end the Helsinki process and seriously damage European détente. Moreover, the EC states' diplomats operated within and outwith NATO to overcome Reagan's prioritisation of maximalist human rights provisions – which blocked progress in the CSCE – in order to secure the convening of a Conference on Disarmament in Europe (CDE).<sup>48</sup> This was a major initiative of the EC polity to add a military dimension to the CSCE security chapter; it highlighted the importance which EC members attributed to the CSCE in strengthening European security at a time when disarmament talks between the superpowers and between the blocs were going nowhere and western European public opinion protested against the NATO-agreed deployment of US Pershing and cruise missiles in their countries.<sup>49</sup> The diplomatic manoeuvring put in place to secure acceptance of the CDE also signalled the EC polity's self-confidence in venturing into NATO's preserve.<sup>50</sup> The CDE was convened in Stockholm (1983–6) and adopted measures of the desired kind, including – for the first time during the Cold War – the right to conduct on-site inspections of military forces in the field.<sup>51</sup>

<sup>47</sup> Ibid., p. 222.

<sup>48</sup> A. Romano, 'More Cohesive, Still Divergent: Western Europe, the US and the Madrid CSCE Follow-Up Meeting', in K. K. Patel and K. Weisbrode (eds.), *European Integration and the Atlantic Community in the 1980s* (Cambridge, Cambridge University Press), pp. 39–58.

<sup>49</sup> On NATO, see Luca Ratti's Chapter 12 in this volume.

<sup>50</sup> A. Romano, 'Re-designing Military Security in Europe: Cooperation and Competition between the European Community and NATO during the Early 1980s', *European Review of History* 24, no. 3 (2017): 445–71.

<sup>51</sup> J. Freeman, *Security and the CSCE Process: The Stockholm Conference and Beyond* (London, Macmillan, 1991).

## From 'Helsinki' to Multipolar Hard Ball

### East–West Relations

The EC polity firmly resisted continual US pressure to impose sanctions against the Soviet Union. In a nutshell, the Reagan administration saw the EC polity's positions as acts of self-Finlandisation, based on a dangerous dependence on trade with the East.<sup>52</sup> Yet political goals and a specific vision for the continent were the strong rationales driving the EC polity's choices. The EC's response to the Soviet invasion of Afghanistan was a typical use of soft power – persuasion and diplomacy – to pursue civilian ends, namely international cooperation and strengthening of international law. Initially, the strong condemnation of the invasion was followed by European Council statements (Venice, 13 June 1980; Maastricht, 24 March 1981) in support of resolutions by the United Nations, the Islamic Conference and the New Delhi Conference of the Non-aligned Movement for a political solution to the crisis. Then the European Council of Luxembourg (29–30 June 1981) presented its first coordinated action: it called for a two-stage international conference to be convened in October or November and tasked with agreeing international arrangements to end external interventions in Afghanistan, establish safeguards to prevent future ones, and ensure the country's independence and non-alignment. The permanent members of the UN Security Council, together with Pakistan, Iran and India (as neighbouring countries), the UN Secretary-General and the Secretary-General of the Islamic Conference, would be invited to participate in stage one of the conference; stage two would also involve 'representatives of the Afghan people' to agree on the implementation of such arrangements.<sup>53</sup>

The Polish crisis was different; while refusing to join US sanctions against the Soviets, the EC polity adopted its own hard power approach, made of a carrot and a (mild) stick, using the EC's economic weight for entirely foreign policy goals. The EC Council of Ministers in March 1982 adopted some restrictions on Soviet goods within the scope of the CCP to give the Kremlin a warning while avoiding the open hostility of sanctions.<sup>54</sup> At the same time, the Brussels European Council in the same month stressed the positive political value of East–West economic relations, sending a clear 'carrot' message. Additional evidence that the restrictions on Soviet goods

52 See, for instance, A. Chiampan, 'Those European Chicken Littles: Reagan, NATO and the Polish Crisis, 1981–2', *International History Review* 37, no. 4 (2015): 682–99.

53 'Conclusions of the Luxembourg European Council: Excerpt on Afghanistan (29 and 30 June 1981)', *Bulletin of the European Communities* no. 6 (1981): 9.

54 K. E. Smith, *The Making of EU Foreign Policy: The Case of Eastern Europe* (New York, NY, St Martin's Press, 1998), pp. 40–1.



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were a political tool is the fact that they were not renewed the next year, as the Polish government lifted martial law and released political prisoners.

By avoiding escalation into confrontation, the EC polity was acting coherently with its interests. After the Helsinki CSCE, the EC saw an improvement in its relations with Eastern Europe and hoped to extend the Community's economic and political influence in the area.<sup>55</sup> The mix of carrots and a veiled threat of economic sticks served precisely the now 15-year-old policy of developing the EC's bilateral relations with socialist countries. The EC polity continued to reject any proposal of EC–CMEA trade deal and, aware of the importance of the EC market for the socialist economies, clearly used conditionality: socialist countries which dealt with the Community directly were rewarded with better access to the EC market, while the others continued to face unilaterally adopted EC quotas in more and more sectors, some of which – agriculture, textiles and steel – were crucial for their exports. The EC approach was so evident that the Hungarian representatives bitterly noticed that their country, which featured quite liberal socio-economic reforms, received fewer rewards than did Romania, a brutal dictatorship. The reason was that the Romanian authorities had immediately rejected the idea of a possible CMEA trade policy, advocated recognition of the EC and, pending the latter, proven willing to deal directly and quite openly with the Community.<sup>56</sup> Confronted with an assertive EC and facing the severe economic impact of its policies, most of the socialist regimes accepted direct relations with the Community, short of recognition.<sup>57</sup>

#### Development Aid

The first case of the EC using development aid as a hard power tool was in relation to Uganda. In response to the human rights atrocities committed by the government of Idi Amin, the Community, prompted by the UK government and the European Parliament, massively delayed aid. On 21 June 1977, the Council approved the so-called Uganda Guidelines, which, though not officially suspending development cooperation, allowed the retention of all financial means except those related to the *Système de Stabilisation des Recettes d'Exportation* (System for the Stabilisation of Export Earnings,

55 Historical Archives of the EU, EN 1569, DG I, Brief, 'Relations between the Community and Eastern Europe', 1 April 1977; EN 1989, Commission, Note by Crispin Tickell for the Record, 14 December 1977.

56 Romano, 'Untying Cold War Knots', 164–71.

57 For details, see Romano and Romero (eds.), *European Socialist Regimes' Fateful Engagement*.

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STABEX). Human rights violations also prompted the Community to suspend the disbursement of funds to Equatorial Guinea in 1978 for projects and programmes other than STABEX, and to suspend aid to the Central African Republic in 1979 and Liberia in 1980.<sup>58</sup>

The use of aid also took the form of inducement (carrots), most visibly in central America. As explained above, the EC polity was concerned about US military interventions in the region, thought that the East–West dimension should be minimised and believed that the existing harsh socio-economic conditions were the actual roots of instability in the region. Recognising the latter, the European Council of March 1982 agreed to increase both national and EC aid to the region.<sup>59</sup> Aid was further used to reward the multilateral talks initiative that the Contadora group – Mexico, Venezuela, Panama and Colombia – launched in January 1983 to discuss regional problems without external interference. In June, the European Council of Stuttgart declared EC member states' support of the talks, specifically stating that they were 'convinced that the problems of Central America cannot be solved by military means, but only by a political solution springing from the region itself'; it also declared their readiness to further contribute to central America's economic development.<sup>60</sup> The EC polity's approach made it a main sought-after partner for the region. On invitation by the Costa Rican government, the foreign ministers of central American countries – including Nicaragua – and of the EC states convened in San José on 28–29 September 1984 to discuss dialogue and cooperation. A second conference, held in Luxembourg on 11–12 November 1985, formalised the political and economic dialogue between the EC and central America via a political Final Act and a framework cooperation agreement. Significantly, the EC made a commitment to substantially increase the total volume of aid to the region during the initial period of the agreement.<sup>61</sup> Again, the stark contrast with the approach and the actions of the United States highlights the willingness and capacity of the EC polity to pursue its own vision and

58 K. Urbanski, *The European Union and International Sanctions: A Model of Emerging Actorness* (Northampton, Edward Elgar, 2020), pp. 117–18. On STABEX, see Migani's Chapter 3 in this volume.

59 'The European Council [Brussels Summit 1982]', p. 183.

60 'The European Council [Stuttgart Summit 1983], Stuttgart, 17–19 June 1983', <http://aei.pitt.edu/id/eprint/1396>.

61 S. Nuttall, 'European Political Co-operation', *Yearbook of European Law* 5, no. 1 (1985): 325–40, 328; S. Nuttall, 'Interaction between European Political Co-operation and the European Community', *Yearbook of European Law* 7, no. 1 (1987): 211–49, 242.

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goals. Moreover, the involvement in central America, which the United States considered its own preserve and where EC trade was not substantial, testifies to the EC's self-confidence.

### From 1985 to the Mid 1990s: Embracing Full Political Conditionality

#### *The International Environment*

The appointment of Mikhail Gorbachev as secretary-general of the Soviet Communist Party dramatically changed the international environment in which the EC came to operate. Reagan found in Gorbachev the leader with whom to open superpower dialogue for disarmament and change. Their regular annual summits (Geneva 1985, Reykjavík 1986, Washington 1987 and Moscow 1988) are a testament to the political and human encounter that led to key disarmament treaties and to discussion of human rights and humanitarian matters as well as the settlement of regional conflicts. The Valletta Summit of December 1989 (with George H. Bush) featured a symbolic declaration on the end of the Cold War.

At the European level, Gorbachev's approach and actions brought massive changes. The new leader espoused the idea of pan-European relations as enshrined in the CSCE process in full; both his famous vision of a European Common Home and the Sinatra Doctrine, according to which Moscow would no longer keep in check Eastern European countries' domestic and foreign policies, implemented the principles and the spirit of the Final Act. Gorbachev increasingly shared the vision for the continent that the EC polity had vigorously promoted for more than a decade. This also included accepting the EC's views on relations with the socialist countries. Before Gorbachev, the Soviet Union had blocked socialist official recognition of the EC and had pursued, in vain, a comprehensive EC–CMEA agreement that would control socialist countries' bilateral relations with the EC. Gorbachev, unconvinced of the need to enforce bloc cohesion and not fearful of the EC's appeal, unequivocally changed the Soviet stance. First, in May 1985, he told Italy's Prime Minister Bettino Craxi, then president of the European Council, that he wanted to seek a common language on *political* matters to the extent that EC member states acted as a political entity. Secondly, in September 1986, EC–CMEA negotiations started on establishing relations according to their respective competences; the joint declaration signed in Luxembourg on 25 June 1988 unlocked the door to full recognition of the Community by each socialist country and their individual trade agreements

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with it. Gorbachev's approach towards the EC, the Sinatra Doctrine and his constructive reaction to the 1989 revolutions all aimed at building a partnership between the Soviet Union and a (forthcoming) united Europe.<sup>62</sup>

This idea of contributing to shaping a Common European Home is mostly visible in the adoption of the Paris Charter on New Europe, which was signed at the summit of the CSCE participating countries in November 1990. In the charter's opening paragraph, the signatories declared that 'The era of confrontation and division of Europe has ended' and they recognised the peoples' hopes and expectations for 'steadfast commitment to democracy based on human rights and fundamental freedoms; prosperity through economic liberty and social justice; and equal security for all our countries'. The first provision of the charter unequivocally declared, 'We undertake to build, consolidate and strengthen democracy as the only system of government of our nations.' The charter also established the Office for Free Elections, symbolically set in Warsaw. Reversing the order of the CSCE Final Act, the Paris Charter places the human dimension before all other fields for cooperation.<sup>63</sup> In a nutshell, the EC's vision had become the one shaping post-Cold War Europe and must have emboldened the EC polity to fully embrace conditionality in its foreign policy.

*The EC/EU's Foreign Policy Tools and Goals:  
 The Formalisation of Conditionality*

Both the Single European Act (SEA) of 1987 and then the Treaty on the European Union – or Maastricht Treaty (1993) – were major steps towards a common foreign policy. The SEA formalised and strengthened what had been in place: it brought EPC into the treaty framework; confirmed the participation of the Commission in EPC; and improved close coordination between EPC actions and the Community's instruments of external economic policy. Then the Maastricht Treaty repealed the provisions on EPC and introduced the Common Foreign and Security Policy (CFSP). The latter, though, remained an intergovernmental exercise where decision-making was based on unanimity. Among the objectives of the CFSP was 'to develop and consolidate democracy and human rights'.<sup>64</sup>

62 V. Zubok, 'The Soviet Union and European Integration from Stalin to Gorbachev', *Journal of European Integration History* 2, no. 1 (1996): 85–98.

63 'Charter of Paris for a New Europe' (1990), [www.osce.org/files/f/documents/o/6/3/9516.pdf](http://www.osce.org/files/f/documents/o/6/3/9516.pdf).

64 'Treaty on European Union', <http://data.europa.eu/eli/treaty/teu/sign>.

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Yet democracy and human rights had already been mentioned among the objectives set out in the preamble of the SEA and in several EC statements. In December 1988, the Rhodes European Council issued the Statement on the International Role of the European Community, which also asserted the commitment to ‘work to overcome the division of Europe and to promote the Western values and principles that the member states have in common’.<sup>65</sup> The Madrid European Council of 26–27 June 1989 affirmed the determination of the EC polity to encourage reforms in eastern Europe.<sup>66</sup> In other words, conditionality became the essential feature of the EC’s new eastern policy well before the enlargement.

On 28 November 1991, the Council of the EC took the first step towards formalising political conditionality also for development aid. The Council’s Resolution on Human Rights, Democracy and Development listed several initiatives that the EC could take in support of the promotion of human rights and democracy; envisaged the possibility of adopting measures to respond to ‘grave and persistent human rights violations or the serious interruption of democratic processes’; and emphasised that ‘human rights clauses will be inserted in future cooperation agreements’.<sup>67</sup> The Maastricht Treaty incorporated conditionality, requiring that the Community should take into account the objectives of developing and consolidating democracy, the rule of law and respect for human rights and fundamental freedoms ‘in the policies that it implements which are likely to affect developing countries’.<sup>68</sup> On December 1994, the Council included conditionality in the new Generalised Scheme of Preferences (GSP): the EU could withdraw GSP benefits from a country in response to the practice of any form of forced labour; export of goods made by prison labour; failure to prevent drug trafficking; fraud on certificates of origin; and unfair trading practices.<sup>69</sup> In May 1995 the Council decided that respect for human rights and democratic principles should be considered essential elements of all EC agreements (including the revised

65 ‘Declaration by the European Council on the International Role of the European Community’, Rhodes, 3 December 1988, document no. 2/17, in C. Hill and K. E. Smith (eds.), *European Foreign Policy: Key Documents* (London and New York, NY, Routledge, 2000), pp. 149–51.

66 ‘The European Council [Madrid Summit 1989], Madrid, 26–27 June 1989’, <http://aei.pitt.edu/id/eprint/1453>.

67 ‘Resolution on Human Rights, Democracy and Development’, *Bulletin of the European Communities* 24, no. 11 (1991): 122–3.

68 ‘Treaty on the European Union’, Article 130v.

69 ‘Council Regulation (EC) No 3281/94 of 19 December 1994 Applying a Four-Year Scheme of Generalized Tariff Preferences (1995 to 1998) in Respect of Certain Industrial Products Originating in Developing Countries’, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A31994R3281&qid=1637866144104>.

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Lomé Convention) and that the disbursement of funds could be suspended in response to violations.<sup>70</sup>

*EC/EU Action*

In the new era of conditionality, progress in trade and cooperation agreements with eastern European countries (1989–90) was used to steer and control the pace of democratisation. For instance, the Community suspended negotiations with the Bulgarian government from May 1989 to March 1990 because the latter violated the Turkish minority's rights. It also frequently interrupted negotiations with the Romanian authorities as a punishment for the slow pace of reforms and frequent violence in the country.<sup>71</sup> After the collapse of the socialist regimes, and facing requests for membership, the EC polity agreed to prioritise deeper integration over enlargement for the near future. Yet it offered central and eastern European countries a series of programmes and agreements that would allow them to establish closer ties and ensure that their reforms would succeed. Indeed, the whole of the EC's new eastern policy was based on political conditionality, which has led to some recent accusations of imperialism.<sup>72</sup>

The Group of Seven summit in Paris on 14–16 July 1989 recognised aid as an appropriate instrument to facilitate economic reforms in former socialist countries and help them integrate into the world economy, and acknowledged the EC's special responsibility for the region. The EC's conditionality, though, also placed strong emphasis on democratisation. The Community's aid programme titled Poland and Hungary: Assistance for Restructuring Their Economies, approved in December 1989, was conceived to assist the reform process in Poland and Hungary; within a year it was extended to the other countries. The EC also offered each central and eastern European country a comprehensive association agreement, a so-called 'Europe agreement'. In August 1990, the Commission established that the agreement would be signed upon receipt of evidence of the country's commitment to five criteria: rule of law, human rights, a multiparty system, free and fair elections, and a market economy. The preamble of each Europe agreement identified EC membership as the final objective; the promise of entering the sought-after club of rich democratic European nations was a powerful

<sup>70</sup> Urbanski, *The European Union*, p. 120.

<sup>71</sup> J. Pinder, *The European Community and Eastern Europe* (London, Pinter, 1991), p. 33.

<sup>72</sup> G. Morgan, 'Is the European Union Imperialist?', *Journal of European Public Policy* 27, no. 9 (2020): 1424–40.

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inducement and a tool to control the regime transition in those countries – a hard power tool. The Community was also the key maker of the European Bank for Reconstruction and Development (EBRD), which was meant to promote private investments. Approved by the Strasbourg European Council in December 1989, the foundation of the EBRD was negotiated with the Group of Twenty-Four countries, the seven eastern European states, the Soviet Union, Cyprus and Malta, and it started operating in 1991. It was the first multilateral organisation obliged to grant loans according to political criteria: only countries implementing multiparty democracy, pluralism and market economics would be eligible for loans. Unsurprisingly, the Community and its member states held 51 per cent of the EBRD's capital.<sup>73</sup>

The EU also denied access to its market to convey disapproval. In 1994, the EU and Russia finalised the partnership and cooperation agreement, which would initiate crucial commercial relations and establish a framework for political consultations; an interim agreement would precede its entry into force. In response to the Kremlin's violent handling of the crisis in Chechnya in 1994–5, the EU postponed the signing of the interim agreement. Only on 17 July 1995 was it signed, to reward the Russian authorities for cooperation in Bosnia and Herzegovina and to induce an ending of the crisis in Chechnya.<sup>74</sup>

In accord with the 28 November 1991 resolution, the Community suspended aid to Sudan, Haiti, Togo, Zaire, Malawi and Nigeria. Even before the resolution was adopted, the Commission decided not to embark on the Lomé IV indicative programming exercise with Sudan due to human rights violations, which also meant freezing STABEX transfers. On 3 October 1991, EPC condemned the military coup carried out 3 days earlier against the democratically elected President Aristide in Haiti, called for his reinstatement and an immediate return to the rule of law and suspended EC development aid, including all Lomé IV financial and technical cooperation.<sup>75</sup> In December 1991, the Community suspended aid to Togo,

<sup>73</sup> Smith, *The Making of EU Foreign Policy*, pp. 48–9, 80–2.

<sup>74</sup> T. de Wilde d'Estmael, 'The European Commission and the Transition to the Common Foreign and Security Policy', in É. Bussière, P. Ludlow, F. Romero, D. Schlenker, V. Dujardin and A. Varsori (eds.), *The European Commission 1986–2000: History and Memories of an Institution* (Luxembourg, Publications Office of the European Union, 2019), pp. 599–601.

<sup>75</sup> 'Report on the Implementation of the Resolution of the Council and of the Member States Meeting in the Council on Human Rights, Democracy and Development, Adopted on 28 November 1991, Communication from the Commission to the Council and the European Parliament. SEC (92) 1915 final, 21 October 1992', <http://aei.pitt.edu/5443>.



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where five attempted military coups had taken place within 4 months.<sup>76</sup> On 22 January 1992, the Community and its members suspended their aid programme to Zaire, with the exception of humanitarian aid, following the suspension of the Zairean National Conference. In May, the Community suspended new projects for Malawi, where the government had made no progress on human rights and good governance.<sup>77</sup> In June 1993, EPC decided that the Community and its member states would suspend development aid to Nigeria following the cancellation of presidential elections.<sup>78</sup>

Finally, moving beyond Africa, in 1996–7 the EU imposed diplomatic sanctions and an arms embargo on Burma/Myanmar over its lack of democracy and cut off its GSP tariff preferences because of the widespread use of forced labour in the country. Moreover, following the country's entry into the Association of Southeast Asian Nations (ASEAN), the EU refused Burma/Myanmar access to the EC–ASEAN cooperation agreement.<sup>79</sup>

### Conclusion

This chapter has argued that the EC/EU showed increasing determination to play an international political role from the late 1960s onwards and did not act simply as a civilian power. While the promotion of multilateralism and international law was a stable element of its foreign policy, the EC/EU did not limit itself to pursuing civilian ends and using soft power tools. It is often argued that the EC preferred cooperation because it lacked (the capacity to flex) any military muscles. It should be noted that history offers plenty of examples in which the use of force by either superpower proved counterproductive or ended in failure. Rather than arising from weakness, the EC's policy preference for using carrots rather than sticks in East–West relations during the Cold War ensued from the awareness that only in a pan-European space for cooperation could the EC advance its economic and political influence. The EC/EU had diverse means to pressure several of its interlocutors into the desired behaviour.

The EC polity used carrots and sticks to change other countries' behaviour whenever it considered that its interests and goals required that this be

<sup>76</sup> *Bulletin of the European Communities* 24, no. 12 (1991), <https://op.europa.eu/s/u4xI>.

<sup>77</sup> 'Report on the Implementation . . . SEC (92) 1915 final'.

<sup>78</sup> *Bulletin of the European Communities* 26, no. 7–8 (1993), <https://op.europa.eu/s/u4xZ>.

<sup>79</sup> Hill and Smith (eds.), *European Foreign Policy*, pp. 437–40; ASEAN–EC Cooperation Agreement (1980), <https://asean.org/cooperation-agreement-between-member-countries-of-asean-and-european-community-kuala-lumpur-7-march-1980>.

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done. This becomes even more visible when the perceptions of the countries at the receiving end are appraised. From refusal to compromise during negotiations (e.g., on the CSCE) to granting (privileged) access to its rich market, from withdrawal of preferences to suspension of aid and loans, the image of a multipolar player of hardball comes closer to describing how developing countries, socialist regimes and even the two superpowers often came to see the EC/EU. While this chapter is intended only to ascertain the EC polity's use of hard power and not its effectiveness, it is worth noticing some successes. The Soviets' opposition to the EC's eastern policy proved in vain; one by one, all of the socialist countries forged relations with the EC on the EC's terms. Eventually the Kremlin came to accept the Community's way of reorganising relations within the continent and, following the 1989 revolutions, the White House recognised the EC's special responsibility for shaping the region's future.

In terms of machinery, we can notice more continuity than change over the period under scrutiny. Reports and treaties, though taking steps towards closer coordination – especially between Community means and intergovernmental decision making – mostly consolidated practices that had previously been tried out. The Maastricht Treaty, which supplanted EPC with the CFSP, did not represent a turning point, as it maintained the intergovernmental nature of foreign policy coordination and the unanimity rule in its decision-making.

Conversely, a major change is visible in the use of conditionality from the late 1980s. For two decades, the EC's eastern policy did not reward socialist regimes for their internal reforms, but did so for their readiness to deal with the Community. Only in the Gorbachev era did the EC polity start to dole out loans and agreements to steer the process, turning to full use of conditionality in the 1990s. The early 1990s was also the moment when democracy, rule of law and respect for human rights were officially established as conditions for access to development aid. The few cases of suspension of disbursement of funds to African countries in the late 1970s due to gross human rights violations were meaningful examples of hard power, but not yet the tools of a new approach. Also in this respect, the Maastricht Treaty seems to have been not a turning point but rather a consolidation of a recently acquired boldness and determination to shape the political, social and economic features of other countries, regardless of the possibility of their becoming members.

Finally, it is here possible to present some considerations on the impact of enlargements. The process leading to southern enlargement in the 1980s

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specifically contributed to building the EC's identity as a democratising force and may have opened the road to fully espousing conditionality in all external relations agreements a few years later.<sup>80</sup> Certainly, all of the enlargements caused shifts in the trade patterns of outsider countries, making access to the EC market either necessary or more appealing; this was one of the main motivations for European socialist regimes to deal with the Community despite Moscow's pressure not to do so. By augmenting the economic weight of the Community, each enlargement added more power to influence third countries' attitudes via the use of economic carrots and sticks.

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80 E. De Angelis and E. Karamouzi, 'Enlargement and the Historical Origins of the European Community's Democratic Identity, 1961–1978', *Contemporary European History* 25, no. 3 (2016): 439–58.