

RETHINK: EUROPE

EUROPE'S NEIGHBOURHOOD: CRISIS AS THE NEW NORMAL

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SUMMARY

- Europeans must accept that crisis and conflict in their 'near abroad' is the new normal and that there is much less they can do about it than they once hoped.
- This calls for focus in the European Neighbourhood Policy (ENP) on helping Ukraine remake itself in the face of Russian hostility; on supporting remaining islands of relative stability (Tunisia, Jordan, Lebanon); on tackling the refugee crisis, including its roots beyond the immediate 'neighbourhood'.
- It also requires recognition that the classic foreign policy dilemmas apply also at Europe's borders: how resolve clashes between Europe's economic and security interests, and support for democratisation and development? How reconcile the different priorities of different member states and bridge between aspirational European and realist national policies?
- Major re-engineering of the ENP is needed beginning with splitting budgets and responsibilities for East and South. And it should be understood less as a policy than a tool-box for tackling a key subset of Europe's broader foreign policy challenges.
- The planned separate Communication on the ENP should wait for the conclusion, in 2016, of the High Representative's overarching External Strategy Review.

The European Neighbourhood Policy (ENP) was launched 11 years ago — at a time of European optimism and confidence. The biggest-ever enlargement of the Union was about to take place, and the ENP was conceived as the means to ensure that Europe's transformative influence was brought to bear on a new corona of surrounding states. The aim was that the expanded Union should itself be encircled by a ring of prosperous, stable, and friendly countries.

It has not worked out that way. Today's EU finds itself in a neighbourhood characterised by conflict, counter-revolution, and resurgent extremism. So the current review of the policy ordered by European Commission president Jean-Claude Juncker is timely.¹

The deficiencies of the ENP have been extensively analysed: too technocratic and inflexible; too insistent on applying the same template to the 16 vastly different countries within its compass; and all too easily gamed by autocrats pretending to reform in exchange for benefits that were often less substantial than Brussels liked to portray.

But such criticisms, by implying that the travails of surrounding states are somehow Europe's fault, miss a larger point. President Putin's revanchism is not the product of some European failure, any more than Assad's slaughter of his own people, or the rise of Islamic extremism. Other forces, it transpires, are at work, and they are more powerful than Europe's influence.

¹ This brief is intended partly as input to the consultation phase of that review, initiated by the joint consultation paper issued in March by the European Commission and the High Representative for Foreign Affairs and Security. See "Towards a new European Neighbourhood Project", Brussels, 4 March 2015, available at http://ec.europa.eu/enlargement/neighbourhood/consultation/consultation.pdf.

The neighbourhood may be Europe's geographical "backyard" – but the EU neither owns it nor controls it.

So the problem is not just a matter of inadequate implementation of the ENP – it goes to the policy itself, to its relevance in today's dramatically changed circumstances and its adequacy as the exclusive, or even the main, vehicle for Europeans' efforts to deal with the crises that surround them. An effective ENP review needs to revisit the fundamental questions of what we can and should now be trying to achieve with the countries of our "near abroad" – and to find a response more radical than "more of the same, but done better".

Four fundamental issues in particular will need to be addressed before Europeans can achieve more effective shared approaches to the countries that surround them:

- The dramatic economic and political changes of the past decade: our neighbourhood is no longer what it was, just as we are no longer who we once were;
- The extent of the confusion that has naturally followed about what we want to achieve, and how to do it;
- The reality that today's crises and conflicts in our neighbourhood are not some temporary aberration, but the "new normal"; and
- ENP failure as the prime example of European foreign policy's besetting sin: the predisposition of EU member states to agree one policy collectively in Brussels, while doing something quite different on a national basis.

This brief analyses these issues, and ends with some specific policy proposals.

A different Europe, and a different neighbourhood

Despite careful partnership language, the ENP was basically conceived as a "civilising mission" — Europa surrounded by a ring of admiring pupils, learning how to be democratic and prosperous, and gradually earning all the benefits, if not necessarily the institutional status, of family membership.

Europa is no longer in that mood. She feels poor, insecure, and intolerant. She does not want the pupils frequenting the family home. In any case, she now doubts their willingness to learn.

And the pupils themselves have lost commitment. The anticipated benefits have failed to materialise. Europa has lost authority and allure. And, critically, the unspoken assumption that Europe must naturally be the partner of choice for its neighbours – that the strongest geopolitical influence working on them is Europe's gravitational field – has been exploded. East and South, new forces are at work.

East. Since 1989, the key Eastern question has been: how far would Moscow allow Western liberal democracy to penetrate the old Soviet empire? Pre-Putin, it was reasonable to hope "all the way, including into Russia itself" – and to work to bring that about. While the limits of Russian tolerance were unclear, it was

natural for Europe to press to test. We now know where those limits are. As Putin said in his Crimea annexation speech: "If you compress the spring all the way to its limit, it will snap back hard." Of course, Europeans cannot formally accept this reassertion of Russia's sphere of influence. But equally they should recognise that it, like Putin and like effective Russian control of the Donbas, is the reality with which they will have to deal for the foreseeable future. Only if the West were ultimately prepared to match Putin's force with force would it be sensible to frame policy on any other basis. But that die was cast back in 2008, when NATO decided, at the Bucharest summit, against offering Ukraine and Georgia a path to membership.

The other big change to the East has been the retreat of Turkey's EU membership prospects. Again, European policy needs to distinguish between long-term aspirations and positions of principle, and near-term reality. It is certainly conceivable that a Cyprus settlement, a reversal of Turkey's increasingly authoritarian course (the recent elections give hope on this), and a recovery of European economies and morale could in due course put Turkish accession back on the practical agenda. For the foreseeable future, however, "candidate Turkey" is not of major relevance, either to Turkey or to the EU. By contrast, Turkey as a rising power, occupying one of the most geostrategically important locations on the planet, undoubtedly is - a fact that the present division in the EU's cosmology between "candidate countries" and "ENP countries" causes Europe literally to overlook. President Erdogan offered a sharp reminder of this, receiving Putin for a state visit and energy talks in December 2014, just as Russia was beginning to feel the bite of EU sanctions.

Both of these evolutions have implications for the Eastern Partnership. "Europe" has no precise geographical definition: but a glance at the map confirms that the southern Caucasus states got into the ENP as neighbours of Turkey not the EU – that is to say, in anticipation of an expansion of the EU that has not in the event happened, nor is likely to in the near future. Of course, Azerbaijan and Georgia are of energy interest to Europe – and Georgia's efforts to Westernise deserve sympathy, even if we are prepared neither to fight for her nor to provide significant economic or financial help. (In these circumstances, we should be especially careful not to raise false and potentially dangerous Georgian hopes.) With Armenia and Belarus in their different ways intractable, this leaves Ukraine and Moldova as the countries that matter now to the East.

They matter because, despite the recent Brussels spats over whether to mention "membership perspectives", no one can dispute that they are "European states" within the meaning of Article 49 of the Lisbon Treaty, i.e. potential EU members – and because, despite being both reluctant and ill-prepared, the EU finds itself in a head-on confrontation with Russia over Ukraine's future.

There seem to be good grounds for thinking that Putin does not want to take over Ukraine; rather, he aspires to use the Donbas to control a weak, unreformed regime in Kyiv. To some in Europe, such an outcome may have its attractions. It would spare Europeans the need to provide serious money

^{2 &}quot;Address by President of Russian Federation", the Kremlin, Moscow, 18 March 2014, available at http://en.kremlin.ru/events/president/news/20603 (hereafter, "Address by President", 18 March 2014).

WHERE THE MONEY GOES: 2014 ENI COMMITMENTS

ENI (European Neighbourhood Instrument) 2014-2020 Commitment in € million (rounded figures)

Part 1	- Mediterranean	countries
Full	- MEGNETI GITEGIT	COOLILIE2

Algeria	26.3
Egypt	115.0
Israel	
Jordan	174.5
Lebanon	146.1
Libya	8.0
Morocco	218.0
Palestine	309.5
Syria	61.3
Tunisia	169.0

Subtotal bilateral programmes 1,227.7

Regional and other

multi-country programmes 229.1

TOTAL Mediterranean countries 1,456.8

Part 2 - Eastern Partnership

Armenia	34.0
Azerbaijan	21.0
Belarus	19.0
Georgia	131.0
Moldova	131.0
Ukraine*	242.0

Subtotal bilateral programmes 578.0

Regional and other

multi-country programmes: 152.4

TOTAL Eastern partnership 730.4

Part 3 - Cross-border cooperation

ENI contribution 6.9

Part 4 - Mediterranean countries

ENI contribution 102.9

GRAND TOTAL ENI 2,297.0

Source: Implementation of the European Neighbourhood Policy – Statistics, Brussels, 25 March 2015, p. 60, available at http://eeas.europa.eu/enp/pdf/2015/enp-statistics-report-2014_en.pdf.

to Kyiv (something which, as demonstrated at the end-of-April donors' conference, they are reluctant to do). It would make arguments over membership perspectives unnecessary. It might lead back to "business as usual" with Russia. But it would also represent a crushing blow to the EU's values, self-respect, and international reputation. And the impressive start made by the Ukrainian authorities on the (long) road to political and economic reform means that, if Putin prevails, we cannot excuse ourselves by blaming the Ukrainians.

In short, all focus in the "eastern neighbourhood" should be on the one question: "How do we help the new Ukrainian government succeed?" South. The "southern neighbourhood" is a wholly different world – but here, too, the events of recent years have simply transformed the landscape. A key moment was the Arab Spring: for a few heady months, the apparent realisation of everything that the ENP had hoped to achieve to Europe's south – and its subsequent collapse into counter-revolution and bloody conflict. There may be two main lessons to learn.

The first is the relative unimportance of European influence. The crowds in Tahrir Square were not risking their lives in defence of any "European perspective". Having identified "Money, Mobility and Markets" as the best means to support the hoped-for democratic transitions, Europeans declined to provide any of these on a scale which made any difference. And,

^{*}An additional €123 million was also committed to Ukraine by "reorientation of 2013 country allocation".

and conflicted about what they are trying to achieve. The ring of stable, prosperous, democratic states remains the EU's ulti
3 Acts of terrorism perpetrated by deranged individuals are hardly a new phenomenon—compare, for example, the wave of anarchist bombings across Europe and the US around the turn of the 19th century. It should also be remembered that the so-called Islamic State's ambitions are primarily territorial: global jihad is not its driving preoccupation.

once the gloves came off and conflicts erupted across the region, it transpired that Europeans (the intervention in Libya excepted) were essentially spectators, while the real actors revealed themselves as the regional powers (the Saudis and their Gulf allies; Turkey; and Iran), as well as a range of religious extremists and sectarian leaders.

The second lesson has been the unexpected nature of the impact on Europe. Europeans have tended to rationalise their preoccupation with the Middle East as natural in view of the region's importance as a source of energy. Yet, thanks both to the resilience of local supply and the fracking revolution in the US, turmoil in the Middle East has not prevented energy prices from plunging. What turns out really to have an impact on Europe, however, is the migration and refugee crisis. And this is only partly a product of conflict in the ten ENP member states from Syria to the Maghreb. Conflict, poverty, and population pressure in places as far away as Somalia and Eritrea are fuelling the flow – and look set to continue to do so for years ahead, as the last great round of global population growth takes place in Africa.

More predictably, the troubles of the southern neighbourhood have increased the terrorist threat within Europe. Getting a handle on this is difficult – politicians and security agencies inevitably exaggerate it, and we should arguably be more philosophical about the outrages that do from time to time occur³ – but there can be no disputing the political salience of the issue. Or that, as with migration, it is no use treating the phenomenon as though it were confined to the shores of the Mediterranean, and not integrally linked to instability in the wider region.

In contrast, then, to the eastern neighbourhood, which now seems too wide in geographical scope, the southern neighbourhood, confined to the Mediterranean littoral, looks too narrow. Even so, an absence of coherent prioritisation ensures that European resources are spread so thinly that they have little impact in any of the recipient countries. The table on page three shows the money committed in 2014 from the European Neighbourhood Instrument (ENI), the spine of the ENP. Among the many questions this table raises is why there is no clearer priority for Tunisia – the sole survivor of the Arab Spring and, indeed, perhaps the only country among the ENP 16 which the EU might claim as a success for its policy. As the recent attack on the Bardo National Museum in Tunis showed, the lonely path which Tunisia has chosen as a genuine democratic reformer in North Africa means it does need support, exposed as it is to violent pressure from Islamist terrorist networks whose narrative of the incompatibility of Islam and "Western" democracy is disturbed by what Tunisia is trying to do.

Conceptual confusion

The turmoil in the neighbourhood and the collapse in European confidence have, not surprisingly, left Europeans confused and conflicted about what they are trying to achieve. The ring

mate goal, enshrined in the Lisbon Treaty. But how, specifically, do we aim to bring it about?

The thrust of the ENP has been essentially transformative – to make the neighbours progressively more like us. A key element of this has been to try to transform their economies (with Deep and Comprehensive Free Trade Agreements – DCFTAs – a principal, if often ill-suited, instrument): to provide jobs for youthful populations and markets for our exports, but also in the belief that prosperity conduces to individual empowerment and a growing middle class, which themselves conduce to more inclusive, democratic political systems.

However, the automatic link between development and democratisation now seems less certain, at any rate in the near term. It is not evidently operating in Azerbaijan, or even in Morocco – or, for that matter, in China. Rising prosperity can, it seems, bolster autocrats as well as challenge them. So it is at least worth debating whether continuing with aid to Egypt despite the military coup is the best way to encourage the sort of Egypt we want to see – assuming we even have a shared view of what that is.

For there are also hard questions to be answered about just how deep our commitment to democratisation really is. Sometimes it can seem little more than a rhetorical flourish, as with the claim in the Riga Declaration of the recent Eastern Partnership summit that participants, including the autocrats of Belarus, Azerbaijan, and Armenia, "recommit themselves to strengthen democracy, rule of law, human rights and fundamental freedoms". And the failure to address the need for trade-offs between different objectives exposes us to the charge of hypocrisy, as when elections in the Arab world have produced Islamist governments with different value sets — at which point our enthusiasm for democracy has conspicuously cooled.

We have been no more consistent in our attitudes to security. Europe embraced (at least rhetorically) the "democratic transitions" of the Arab Spring, not least because we were getting on "the right side of history". We had realised that relying on autocrats for stability and security was not just wrong, but also foolish. Yet we have defaulted back into a reliance on strongmen in the face of fear of the Islamist alternative or the risk of greater chaos, and with pressure from Gulf states and other regional allies – how else to explain the fact of a larger ENP budget for 2014–15 for Sisi's Egypt than for Tunisia?⁵

Of course, European agendas inevitably conflict (not least because of the different priorities ascribed to different objectives by different member states). What is striking, however, is the failure so far to acknowledge, let alone attempt to reconcile, these conflicts. Speaking at West Point in 2014, President Obama noted: "In countries like Egypt, we acknowledge that our relationship is anchored in security interests – from peace treaties with Israel, to shared efforts against violent extremism. So we have not cut off cooperation with the new government, but we can and will persistently press for reforms that the

^{4 &}quot;Joint Declaration of the Eastern Partnership summit (Riga, 21–22 May 2015)", available at http://www.consilium.europa.eu/en/meetings/international-summit/2015/05/21-22/.

 $^{5\,}$ The financial allocations are brackets: 210–257 million euros and 202–246 million euros, respectively.

Egyptian people have demanded." Is that what Europe thinks too? Who knows? And how can Europeans expect to conduct a coherent, let alone successful, policy towards its neighbours unless it is willing to answer fundamental questions of this kind, rather than trying to merge all its actions into a broad narrative about democratic transition?

Conflict and crisis: the "new normal"

For 50 years, the European integration model delivered steady success: growing prosperity at home, successive enlargements, and increasing EU authority on the global stage. To suppose that similar means would deliver similar mutually-beneficial progress in the "neighbourhood" was natural. At home, we have realised that, with the Great Recession, the smooth upwards escalator ride has come to a jarring halt. We have yet to achieve a similar recognition of rupture, of the end of an era, in thinking about our near abroad.

Thus, despite the short-term unity achieved in confronting Putin over Ukraine, many Europeans have evident difficulty in accepting that a swift return to business as usual with Russia is simply not an option. Our understanding of stability and prosperity as the highest public goods has become so ingrained that we cannot fathom that they could have been trumped in Russia by the appeal of a raw nationalism. It seems so self-evident that Russia's aggressive policies are just not worth the candle, that the country's future depends on a degree of modernisation that only rapprochement with Europe can support, that we cannot credit that Russia will not soon "come round". Vested interests encourage this wishful thinking.

The evidence, of course, is to the contrary – the long Russian record of stoking conflict on its periphery; the decade-long retreat of Russian democracy; Putin's crystal-clear words in his Crimea annexation speech, and his subsequent speech at Valdai⁷; his broader ideological challenge to the whole Western liberal international order, seconded by China and autocrats everywhere; the likelihood that he will remain in power until at least 2024 – and that his successor will come from the same stable.

So, as Carl Bildt has argued⁸, it is vital to grasp that we are in for the long haul over Ukraine. To stumble into the confrontation as we did may have been naïve – but it was perhaps inevitable. When one tectonic plate subsumes another, fault lines appear, followed by earthquakes. In retrospect, Georgia was the pre-shock ahead of the Ukrainian disaster. As the immediate dust settles, we have to come to terms with a new landscape – and to recognise that, like it or not, we are now engaged in a trial of strength that will produce tremors along the fault line, from the Balkans to the Arctic, if not further afield, for the foreseeable future.

A similar need to adjust our most basic preconceptions applies to the south. We may feel that the peoples and rulers of these countries should be driven by the desire for greater prosperity, democracy, and social goods such as education. But elites naturally wish to preserve their power; and even those demanding change are arguably more interested in justice and "dignity" than in Western forms of governance. We should also not underestimate the short-term appeal of stability, given the prospect presented by much of the rest of the region. And, in ways we have largely forgotten about in Europe, nationalism and religion have reasserted themselves as some of the most powerful determinants of human behaviour.

So the paramount importance of regional cooperation in the Maghreb may seem obvious to us: yet Rabat and Algiers evidently each sees greater advantage in keeping their borders closed. Europeans may ache to find some way to resolve the slaughter in Syria or Libya: but the regional actors typically value winning above resolution, and prefer continued fighting to compromise. Lebanon may owe its shaky stability to the realisation, after one of its bouts of civil war, that there can be "no victor, and no vanquished" – but such a message evidently has little appeal in Cairo, where the victorious Sisi continues to pursue the Muslim Brotherhood through kangaroo courts.

So commentators who caution that we may be looking at the start of the Middle East's equivalent of Europe's Thirty Years War may well be right.

It follows, then, that recent crises should not be viewed as unwelcome distractions, to be dealt with before we can get back to the main game of operating our neighbourhood policy. Rather, we must accept that conflict and confrontation on our periphery (with Europe as a reluctant participant in one theatre, and a largely powerless bystander in the other) are the new realities on which our policy must focus.

Much of what is done through the ENP has enduring, all-weather value: for example, support for civil society and people-to-people contacts are reasonable investments in the long-term future. And the ENP's focus on economic development responds to a key reality: that there will be little stability to Europe's south as long as there are no jobs available for burgeoning youth populations. But it no longer makes sense to see these long-term endeavours as the principal focus of our efforts and resources.

And the bill in that regard is a large one: the ENP incurs very significant opportunity costs. It has become a big bureaucratic undertaking. Annual reports are produced on the implementation of the policy, embracing regional analyses, country progress reports, country fact sheets and statistical information. This is only the tip of the iceberg of a major monitoring and negotiating effort, as bilateral agreements are discussed, action plans reviewed, and the neighbours' progress in absorbing the EU acquis and embedding the ingredients of "deep democracy" assessed. It seems hard to justify the devotion of so much staff effort to this small-grain attention to Europe's relationships with these 16 countries at a time when, for example, the External Action Service and DG Trade (faced with an unprecedented wave of FTAs to negotiate) are so strapped for resources.

^{6 &}quot;Remarks by the President at the United States Military Academy Commencement Ceremony", US Military Academy-West Point, West Point, New York, 28 May 2014, available at https://www.whitehouse.gov/the-press-office/2014/05/28/remarks-president-united-states-military-academy-commencement-ceremony.

⁷ For Putin's Crimea speech, see "Address by President", 18 March 2014. For his Valdai speech, see "Meeting of the Valdai Discussion Club", Sochi, 24 October 2014, available at http://en.kremlin.ru/events/president/news/46860.

⁸ Carl Bildt, "Russia, the European Union, and the Eastern Partnership", European Council on Foreign Relations, available at http://www.ecfr.eu/page/-/Riga_papers_Carl_Bildt.pdf.

⁹ See the European External Action Service's Progress Reports, available at http://eeas.europa.eu/enp/documents/progress-reports/index_en.htm.

The same is true at the political level. Time spent arguing about the "neighbourhood" as a whole is time not spent addressing the very different problems of the regions to the EU's east and south. Even the agglomeration of those two different sets of countries into the Union for the Mediterranean and the Eastern Partnership does not lead to any spectacular results: the former certainly fosters contact (six ministerial meetings in 2013) but has more difficulty achieving progress on the ground¹⁰, while the most notable feature of the recent Riga summit of the latter was the degree of dissension among member states generated by the preparation of the summit declaration.

In short, maintaining and servicing bureaucratic and diplomatic structures of now-diminished relevance is not cost-free: it wastes energy and resources, distracts from more pressing issues, and engenders unnecessary frictions.

Financially, too, the ENP's very structure ensures that available resources are spread so thinly as to preclude effective impact. The easiest way to ensure losing at roulette is to bet on all 37 numbers. Similarly, the dissipation of neighbourhood funds across the 16 "partner" countries means that in no individual case are the sums on offer sufficient to make a real economic or political difference, or to incentivise change.

The bottom line is that the ENP is not so much inadequate to the immediate challenges in Europe's neighbourhood as largely irrelevant to them. It is a policy for the world as we would like it to be, not as it currently is. Viewed as a toolbox, it offers some useful instruments. But it is not, and cannot be, the principal vehicle for Europe's dealings with its near abroad. Focusing as they do on the crises of the here-and-now, Europe's national leaders (and media and engaged citizens) are not missing some wider point, but acknowledging reality.

Europe's Janus Faces

Against that background, one might expect that the member states would be in the forefront of those urging radical change in the current ENP review, pushing against resistance from a conservative Commission determined to defend its territory. Ironically, exactly the reverse seems to be true. The bureaucrats, all too aware of the ENP's deficiencies, find little openness to change either in the Parliament (whose members like to be identified with the policy's emphasis on values and good governance, however unreal this may be in practice), or among the member states.¹¹

This member state conservatism partly reflects the effort made over the years by those with particular links to adjoining countries to ensure at least some slice of the ENP pie for their particular client. Sensible reassessment of European priorities and reallocation of resources would mean losers as well as winners among the neighbours – better leave things as they are.

More fundamentally, however, national governments have come to appreciate the convenience of subscribing to a principled-sounding collective policy at the European level, as a sort of smokescreen behind which they can get on with pursuing their less principled national interests in bilateral dealings with the neighbours. The exposure by the Arab Spring of this Janus-faced approach produced some uncharacteristic remorse - but any behaviour change was as short-lived as the optimism of the revolutions themselves. In similar fashion, member states, even those with pro-Israel sympathies, have come to realise that subscribing to tough European statements condemning new settlements and calling for meaningful negotiations with the Palestinians creates political space in which they can more freely thicken up their commercial and technological ties with Israel.¹² The ENP is thus valued in many national capitals as a handy way of ticking the "values" box of policy to the neighbourhood, leaving national policy free to concentrate on national interest.

The downside to this approach is, of course, that it undermines the credibility of the collective policy, and exposes Europeans as hypocrites. But it is not much use just urging the member states to behave better. As argued above, the Great Recession has changed us. There is now an element of desperation about, for example, European pursuit of major arms contracts in the Gulf; and even the biggest member states know they will not get them without, to some degree or other, paying the Gulf Arabs' political price. Moreover, it is natural for southern member states to look for partners they can deal with on pressing security and energy concerns, even if these partners' commitment to meaningful political reform is questionable. Similarly, to the east, the urge to return to business as usual with Russia, and the lure of Gazprom's dollars, cannot simply be brushed aside in a Union still mired in economic crisis.

These dilemmas, of course, run wider than just the neighbourhood. And, whether near or far, the answers are probably the same: to be more honest about their existence, and the trade-offs that diminished Europeans will increasingly have to make between values and interests in their external relations; and to practise greater mutual solidarity, on the basis that Europe's combined weight will increasingly be needed to make any worthwhile impact on external problems, and that "I cannot expect you to help with my migration concerns if I do not help you with your Russia worries" (and vice versa).

Conclusions

We have argued that the ENP has been overtaken by events, and can no longer bear the weight that it was originally supposed to carry. We have suggested that it has in fact become an obstacle to the clear-eyed, realistic reassessment of what is going on around us; what we want from our neighbours; and how we can get it. We have diagnosed a gap between collective and national policies that renders the first largely irrelevant and the second less effective. So what, in practice, and specifically in relation to the ongoing ENP review, do we suggest?

¹⁰ Union for the Mediterranean, Activity Report 2014, available at http://ufmsecretariat.org/wp-content/uploads/2015/04/Report_web_FINAL.pdf.

¹¹ European foreign ministers' conclusions on the ENP review at their 20 April meeting were hardly game-changing: see "Council conclusions on the Review of the European Neighbourhood Policy", press release, available at http://www.consilium.europa.eu/en/press/press-releases/?stDt=20150420.

¹² See Nick Witney, "Europe and the Vanishing Two-State Solution", European Council on Foreign Relations, 9 May 2013, p. 26, available at http://www.ecfr.eu/publications/summary/europe and the vanishing two state solution206.

It is tempting to conclude that the ENP should simply be scrapped, with the neighbourhood and its crises treated as parts – especially important parts – of the EU's wider foreign policy agenda. That is probably neither practical politics (not least since the substantial ENI budget will continue to need something to be anchored to), nor even desirable, given the potential that still exists for a properly thought-through reform agenda to bear long-term fruit.

But, if not scrapped, the policy should be radically re-engineered, and two ideas are currently attracting interest. One, hinted at in the Commission's consultation document, is to:

1. Shift resource and effort away from bilateral programmes to thematic or issue groupings – subsets of neighbours particularly relevant to topics such as energy or migration. The promise here is of useful flexibility, in terms both of membership (so that, for example, transit countries outside the 16 would be included in the migration grouping) and of how funding is deployed (for example, to subsidise crisis-management operations in the Sahel).

A second idea is to recognise the very different appetites among the 16 for moving closer to Europe by distinguishing an inner core of aspirant integrators (e.g. Morocco and Tunisia, and Ukraine, Georgia, and Moldova) from the rest. The problem here, however, is that this could work only on the basis of self-selection (to avoid endless wrangles with goats demanding to be classified as sheep) – resulting in a neighbourhood policy driven by the wishes and priorities of the neighbours, rather than of Europe. Besides, the distinctions between more and less enthusiastic integrators are already there in practice (some neighbours are ready to work towards DCFTAs, others not, and so on): so there seems to be no practical point in identifying such an "inner core".

But the idea of varied application of ENP instruments to different countries in different groupings suggests a more fundamental conclusion: that we should:

2. Regard the ENP less as a policy than as a toolbox of instruments (trade agreements, financial support, etc.) to be applied to a "neighbourhood" more flexibly defined.

Given, however, the scale of the crises on Europe's periphery, and the very different nature of the problems faced on Europe's different flanks, there is a strong case at least to:

3. Split the neighbourhood into East and South.

A Commissioner for each, acting as the High Representative's deputies, would usefully reinforce the high-level attention the EU could give to external policy in the round, and to these two theatres of crisis, rightly of such dominant concern to governments and publics across Europe. The southern area in particular could then be reconceived on a less artificially-constrained basis, applying attention and resource to the "neighbours of the neighbours" as particular issues demand.

The EU budget review in 2017 will provide an opportunity to split the ENI to match. Such a division will be contentious as between eastern and southern member states – but no more

so than the current processes for allocating the block neighbourhood budget between the 16 neighbours, with their different "sponsors" among the member states. And the exercise will provide the spur to:

4. Conduct back-to-basics reassessments of European interests, aims, and strategies in relation to each of the two theatres: what do we really want from neighbouring countries, and how should we balance our different preoccupations?

As argued above, the main need will be to get away from wall-to-wall approaches to the 16 current ENP states, and focus on the key priorities. To the east, the approach should be to:

5. Face up to Russia's challenge to the "European order", by providing economic and financial help to the Kyiv government on a scale commensurate with the challenge it faces.

And to the South:

- 6. Focus on the migration/refugee crisis, and incorporate the Sahel and the Horn of Africa into a broader southern Mediterranean strategy. This will entail prioritising (unless and until feasible plans to "fix" Syria and Libya are identified):
- support for Lebanon and Jordan as hosts of most Syrian refugees (as well as countries whose relative stability provides a valuable counterpoint to the surrounding disorder)
- support for Tunisia, as model and exemplar (and host to Libyan refugees)
- deployment of effort and resources into the Sahel, and beyond (including financial support for CSDP operations).

And between the two theatres (though formally outside the ENP as a candidate country) and vital to both:

7. Re-engage with Turkey qua regional power.

Ultimately, however, successful European policies will emerge only from frank acknowledgment of Europe's relatively diminished power, and therefore the necessity to make honest tradeoffs between such desiderata as democracy promotion, cooperation on counterterrorism and energy, and securing lucrative contracts. This is not a veiled argument for abandoning our values agenda – just for operating it more honestly and realistically. It certainly is an argument to:

8. Abandon the illusion of fine-tuned conditionality. Take strategic decisions on who we are going to try to help, for what reasons, and on what terms. Use the European Endowment for Democracy for its purpose, easing up on unproductive government-to-government negotiation.

So we must be ready, now, to put real weight behind the Kyiv government – for as long as, whatever its particular shortcomings, we continue to judge it genuinely committed to deep economic and political reform.

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The other form of frankness required is between member states about their differing national interests - about where they converge, where they conflict, and where they are potentially tradable ("I will send troops to Mali if you will contribute to exercises on my territory"). So, at the conclusion of the ENP review, it would be useful for Brussels and member states to make a cooperative effort to:

9. Map member states' specific interests and priorities within the broader neighbourhood region.

Such a mapping exercise, as ECFR will argue in a forthcoming brief, should be an important part of the second phase of the High Representative's External Strategy Review. In a Europe of 28, such mutual honesty is essential if we are to achieve joint foreign policies with real salience. And, as we have argued here, policy towards neighbours is just a particularly important instance of foreign policy. It follows, then, that the ENP review should not be wrapped up separately, and that the Commission should:

10. Delay the planned Communication wrapping up the ENP review from autumn 2015 until proposals can be finalised in the light of the High Representative's wider External Strategy Review in 2016.

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