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Policy Coherence under Conflicting Objectives?  
The EU’s Human Rights and Democracy Promotion and Energy Policy towards Russia

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A note for the reader:  
Parts of this paper were presented at the Annual Doctoral Conference 2012 at Central European University Budapest and the European Union in International Affairs (EUIA) conference in Brussels. Some comments have been included as well as several findings from pilot interviews that were conducted in the past 6 months. Essentially, this paper offers some first empirical findings of my PhD project, which aims to unfold mechanisms and processes in the Council that affect the horizontal coherence of EU foreign policy.
Introduction

The European Union (EU) plays an increasingly important role in international relations. On the one hand, this is reflected in the EU’s ever-growing relations with third countries in terms of trade, cooperation and bilateral agreements. On the other hand, this development corresponds with a sophistication of internal institutional structures and arrangements that guide foreign policy-making. Nevertheless, despite these observations there is a conviction that the EU still does not live up to its potential in external affairs. Too often it does not ‘speak with one voice’ and foreign policy output remains limited.

Unsurprisingly, this paradox has received a great deal of attention from academia. Various scholars have attempted to unfold the mechanisms and dynamics that shape the EU’s foreign policy. In doing so, they have engaged in a policy field that is extremely fragmented on a range of dimensions such as the legal basis in the Treaties, competences, institutions involved, decision-making procedures and available instruments. Often, studies have focused on the question why the EU lacks ‘coherence’ in its foreign policy approach – a characteristic that has been repeatedly highlighted by EU policy-makers as the missing feature on the EU’s path to more international ‘actorness’ (Bretherton and Vogler 2006). In fact, Heads of State or Government frequently articulate the importance of increased foreign policy coherence and reassure their political will. However, too often political reality presents a picture of persistent differences in the EU Member States’ interests that impede the vision of a united Europe.

Academic explanations have emphasized the institutional context to which EU foreign policy is subjected as the major factor defining policy output. This paper and the PhD project do not challenge the importance of institutional structures. The recent institutional and policy reconfigurations of the Lisbon Treaty and the creation of the European External Action Service (EEAS) are seen as major determinants for the future of EU foreign police. Nevertheless, it will be argued that a sole focus on the foreign policy context disregards policy content as a second important dimension that impacts on foreign policy coherence. In order to make claims about the reasons why the EU lacks actorness in international affairs, policy content and policy context have to be regarded as two sides of the same coin that have an interdependent and reciprocal relationship.

In order to highlight the importance of the policy content in the EU’s external action, this paper looks at the EU’s policies of democracy and human rights promotion towards Russia on the one hand, and its external energy policy on the others hand. Russia provides for an interesting case since the EU is heavily interdependent with its largest neighbor in energy matters, while, at the same time, Russia is a prime example how the EU has constantly tried to promote its values abroad. The
two policy areas are characterized by considerably different policy content that is rooted in a conflict of their broader foreign policy objectives. To conceptualize this, the paper builds upon a typology that distinguishes between milieu goals and possession goals. It is argued that EU policies promoting human rights and democracy follow milieu goals and are hence subjected to a different set of institutional processes and actors than the EU’s foreign energy policy which follows possession goals. Ultimately, this inherent conflict in the EU’s foreign policy objectives undermines its coherence and impedes the development of a Russia policy.

The paper starts with a distinction between policy context and policy content that provide different foci for the analysis for EU Foreign Policy. A distinction between milieu and possession goals is introduced to conceptually emphasize a dichotomy that permeates through policy content. Based on the evolution of relations between the EU and Russia since the fall of the Iron Curtain it is then shown how specific policy content repeatedly undermined coherence of the EU’s external relations. Some preliminary findings of interviews conducted with national and EU civil servants confirm that policy content impacts on the context of policy-making and thereby contributes to the problem of horizontal policy coherence between different policy areas. Finally, a conclusion is given.

**Policy context and content**

In EU studies, researching the context of policy-making has gained considerable scholarly attention. In its wider sense, the context of EU Foreign Policy implies all relevant factors of foreign policy-making that affect the behavior and choices of the actors. Such factors include the institutional setup and the complete set of rules under which policies are made. While some factors are formalized and enshrined in the treaties or accompanying documents, others are informal yet have become established principles of practice. Both structure the foreign policy-making process and give guidance to it. It is assumed that actors, in the case of foreign policy mostly the EU Member States, may enter negotiations with specific interests which are, however, not fixed and may change due to socialization (Checkel 2003; Checkel 2005), learning (Bennett and Howlett 1992; Zito and Schout 2009), the creation of norms (Puetter and Wiener 2009) and deliberation (Puetter 2012). Hence, the context of policy-making in itself becomes an important criterion for policy outcomes.

While this paper acknowledges the significance of the context in EU foreign policy-making, it is argued that there is a second dimension, the policy content, that impacts on the coherence of the Union’s external relations. Such an approach is, at this stage, theoretically more puzzling since it has been widely neglected in EU studies, which have been pre-occupied with a focus on what was
labeled context. Nevertheless, the policy areas chosen for the case study of this PhD project, EU energy security and human rights policy, hint in the direction that different policy areas are of ‘different kind’ since they follow different objectives and, therefore, are subjected to differences in institutional processes and actor behavior.

A. Wolfers (1962) offers a helpful conceptual distinction between the motives for foreign policy-making. He distinguishes goals that concern the national (or in this case the EU’s) possession and goals that pertain the shape of the environment in which a foreign policy actor operates. The former are termed ‘possession goals’ and the latter ‘milieu goals’ (Wolfers 1962, 73). In order to reach its possession goals, a foreign policy actor aims to direct its foreign policy to the enhancement and attainment of something which is regarded as valuable. The value itself may be of different kind, such as gaining a trade advantage, the availability of a scarce resource or membership in an international forum that is excluding others. The actor is thus competing for this value with others because it is of limited supply. A comparative increase in the share of the value vis-à-vis other actors implies an advantage. As Wolfers argues, the possessive nature of these goals makes them apt to be praised by some for representing truly the national interest while others rather view possession goals as an indicator of national selfishness or acquisitiveness (Wolfers 1962, 74).

Milieu goals, very much to the contrary, are not about increasing or defending possession while excluding others from making use of its value. Instead, those actors following milieu goals aim to shape the wider environment beyond their geographical borders. Analogous to possession goals, milieu goals bear considerable value for a foreign policy actor. While the two can be interlinked since milieu goals may ultimately become means to further possession goals, this does not necessarily have to be the case. A foreign policy actor may be seriously concerned about the environment in which he operates. As such, he may support the establishment and maintenance of different kinds of international institutions in order to make the environment more peaceful, or shape it in a preferred strategic, social, economic or normative way (ibid).

The very fact that several foreign policy actors may share a milieu goal does not make it less valuable to a possession goal. It merely signifies that different actors may share a common interest. (Wolfers 1962, 75–76). In this sense milieu goals can create win-win situations more easily. However, while they are consistently pursued over time they may be less tangible than possession goals. The latter are often pursued in an ad hoc fashion and as such they respond to shorter time frames and hence more concrete values (Tocci 2008, 8).

The conceptual distinction between possession and milieu goals is helpful because, despite its dichotomous nature, it offers a degree of flexibility when applied to real world cases. A foreign
policy actor does not exclusively have to follow either possession or milieu goals. If ‘foreign policy’ is regarded as an umbrella term for a set of an actor’s policies that touch upon external relations, it is likely that some policies follow possession goals while others aim to shape the milieu. As such, the overall foreign policy approach of the actor can have elements of both and represents a blend of possession and milieu goals.

The value of the concept is that it allows distinguishing policy areas on basis of their broader objectives rather than their modes and motives of operation. In this sense it provides an alternative to the debate of constructivists and realists over the question whether pre-given preferences (interests) or norms (ideas) guide policy-making and how these interact with institutions. It is, however, problematic to distinguish the policy content of foreign policies in such terms. H. Morgenthau notes that there is no choice between moral principles and the national interest, but between “one set of principles divorced from political reality and another set of principles derived from political reality.” (Morgenthau 1982, 34) The attainment of a possession goal such as the access to energy resources may be in the interest of a foreign policy actor and at the same time constitute a norm in terms of energy security for the own people. Likewise a milieu goal such as the promotion of the rule of law abroad can be in the interest of an actor to establish stable economic conditions for investment but also have normative implications in the sense of fostering fair trials and human rights in the international environment.

In sum, setting the focus of analysis of differences in policy content on foreign policy goals rather than motives is conceptually beneficial. Wolfer’s distinction between possession and milieu goals structures policy content in a way that circumvents a categorization on basis of interests or ideas, which can have a dead end. In this sense, the dichotomy of possession and milieu goals can be upheld while it allows at the same time that there may be variation of interests and ideas. Thus, no claims are made whether a policy area would be norm- or interest-based but it is rather assumed that such a difference is inapt and that norms and interests are of subjective yet mutually self-constituting in nature. In other words, Wolfer’s focus on goals allows for a pragmatic structuring of policy areas based on the content of their objectives. At the same time, it acknowledges that there are a variety of processes inspired by interests and ideas that unfold underneath the categories of milieu and possession goals.

The next section looks at EU-Russia relations since the end of the Cold War. It highlights how the EU’s policy objectives and the underlying policies’ respective content have shaped the EU-Russia relationship and the way the Union and its Member States have approached its Eastern neighbor.
EU Foreign Policy objectives and Russia

The role of values in reestablishing relations in the post-Cold War era

The fall of the Berlin Wall, the dissolution of the Soviet Union and the creation of the Russian Federation dramatically changed the political landscape in Europe. This newly emerging political order called for a reconsideration of policies for both the European Community/European Union and Russia. In the previous decades, the relations between the East and West were coined by the power politics of a bipolar world. However, the new political landscape that emerged in the early 1990s entailed a different set of challenges that caused new interests and priorities. For the Community, foreign policy towards Russia focused on a smooth transition to democracy and a market economy, which were regarded as the foundations to provide for stable peace and security in Eastern Europe (Höhmann, Meier, and Timmermann 1993). In contrast to that, Russia's main concern was to secure its position in the new order of post-Cold War Europe (Arbatov 1997). Although motives for a renewed foreign policy agenda differed in the European Union and Russia, they allowed for a new impetus for cooperation that eliminated some of the former fault lines.

Given that the international developments around the turn of the 1990s came as a surprise to many, the European Community was relatively well-equipped to build up relations with the new Central and Eastern European states. Internally, Member States and Community institutions had experienced a first period of foreign policy coordination through the framework of the European Political Cooperation. The move towards deeper integration and political union with the adoption of the Treaty of Maastricht in 1992 sophisticated the EC's role as an actor in the area of foreign policy. In particular the creation of the Common Foreign and Security Policy (CFSP) provided the newly created European Union with the possibility to develop more 'actorness'. Externally, the European Community/European Union benefited from a set of experiences with its Eastern neighbors. By the early 1990s the Community had established a range of Trade and Cooperation Agreements (TCA) with the Council for Mutual Economic Assistance (CMEA) and the Soviet Union. This precedent was further expanded after the fall of the Iron Curtain and eventually allowed the Community to respond with a range of instruments to the new political challenges (Smith 2004, 65).

The Community's involvement in Central and Eastern Europe was intended to bring stability to the region through the facilitation of economic reforms in the former communist countries and their corresponding reintegration into the world economy. However, besides security aspects, ideas took on a major role in the EC's interaction with the East. The spirit of the time saw, much in line with

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Francis Fukuyama’s ‘End of History’ thesis (Fukuyama 1992), a triumph of Western liberal values. In this context the EC developed a foreign policy approach in which liberal democracy, the respect for human rights and the rule of law played an increasingly important role. Undoubtedly, the ‘End of History’ thesis soon became contested. Nevertheless, the Zeitgeist of the time is reflected in what has often been labeled ‘European values’. Since then, offers for cooperation of the Community/Union with third parties are generally based upon the condition that a set of key criteria that correspond with European norms are met. In fact, it has been argued that the policy choices of the early 1990s mark the starting point of the European Union’s “claim of regional normative hegemony” (cf. Haukkala 2010a, 70 ff.), an approach that seeks to shape the external environment and hence follows milieu goals.

From the outset, the EU’s external activities were aimed at promoting its fundamental values in the international arena. The reconfiguration of relations with the EU’s Eastern neighbors following tumultuous events of the early 1990s provided a laboratory for Union’s legal-normative foreign policy agenda in the region (cf. Hillion 2009). Russia did not oppose the underlying liberal values. They were regarded as the European society’s ‘noble democratic ideals’. Nevertheless, Russia was not willing to simply adopt the views of others as a basis for reconstruction of its own political system. Rather than imitating established patterns for state-building and organizing the economy, Russia would follow its “own mechanism of renewal”, thereby taking into consideration all of “humanity’s experiences” (Yeltsin and Kozyrev quoted in Haukkala 2010a, 71). As a consequence, EU-Russia relations were characterized by an imbalance concerning the importance attributed to the promotion of liberal values.

The different priorities are reflected in the negotiation process that started in 1992 and led to the PCA in 1997. For the EU, the inclusion of political conditionality in the agreement was of high importance. Russia, on the other hand, regarded the PCA primarily as a trade agreement (Haukkala 2010a, 76). These positions were repeatedly incompatible and resulted in lengthy, exhausting and partly halted negotiations. Eventually, the European Commission persuaded the Russian negotiators to accept a suspension clause in the agreement that made reference to liberal values. This clause, however, did not amount to any new obligations on behalf of the Russian Federation since it merely restated principles of the UN and the Conference on Security and Cooperation in Europe (CSCE) by which Russia was already bound (Haukkala 2010a, 80).

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2These values or principles are for instance enshrined in Article 6(1) TEU, the Charter of Fundamental Rights of the European Union and Article 1 of the Treaty of Lisbon.

3See Article 21(1) TEU

Nevertheless, the PCA consolidated EU-Russia relations, also with regard to a common value system. The preamble mentions “the historical links existing between the Community, its Member States and Russia and the common values that they share”. More clearly, article 2 of the PCA makes sure that “respect for democratic principles and human rights [...] upholds the internal and external policies of the Parties and constitutes an essential element of partnership and of this Agreement.” The fact that Russia committed itself to these values within the framework of the PCA made it directly susceptible to criticism by the EU and ultimately subject to consequences of the suspension clause in case of breach of common values such as democratic principles and human rights. In this respect, the agreement considerably broadened the scope of EU-Russia relations and to a certain degree fulfilled the Union’s milieu goals. Whereas earlier cooperation was based on material interests (the TCA focused exclusively on trade) the PCA essentially became a foreign policy tool for the EU by which values could be exported and the wider the environment be shaped.

The content of the agreement, however, does not imply that both EU and Russia had the same interests in signing it. Although the PCA as a central document in the formalization of EU-Russia relations articulated European values, clear asymmetries in the motives for external cooperation persisted. The EU aimed to consolidate its actoriness and impact on the architecture of a stable Europe, whereas Russia focused on rebuilding a country and needed economic assistance and political support (Utkin 1995, 18). This initial discrepancy of interests has characterized EU-Russia relations ever since.

The EU’s milieu goals in practice

Essentially, from the point of view of the EU, the values that are referred to in the PCA have a two-sided function. They constitute the very basis and prerequisite of the relationship with Russia and they create a benchmark against which the scope of the relationship can be measured. The second function, the benchmark, provides the foundation for the application of conditionality in the Union’s external action. Conditionality as an external instrument is not new to international agreements. The Vienna Convention on the Law of Treaties (1969) made clear that a treaty can be suspended or terminated in case of ‘material breaches’. However, the EU’s insistence on the inclusion of political conditionality in the PCA extended the legal right to suspend or terminate the treaty to the breach of ‘European values’.

In addition to political conditionality concerning values, the PCA calls for norm-convergence in various articles. Article 6 of the PCA states that the future of EU-Russia relations aims at ‘economic convergence [that] will lead to more intense political relations’. This is specified in Article 55 where it
is stated that Russia’s legislation should be ‘gradually made compatible with that of the Community’ (Article 55.1) and areas are listed in which laws should particularly approximate (Article 55.2). Moreover, a range of further articles make reference to specific sectors where convergence to and harmonization with the EU is required. The inclusion of a convergence-criterion next to political conditionality is by no means a coincidence. As a highly legalized system the EU has repeatedly experienced difficulties in dealing with third actors that do not share the same logic of operation. Access to the highly complex single market requires, however, a certain degree of approximation and harmonization (Cremona 1998). Internally, a continuously growing body of laws – the EU’s *acquis communautaire* – has developed that created common standards and norms\(^5\) which regulate and ensure the Union’s functioning. Analogously, the promotion of convergence of the same norms with third parties has become a central component of EU external action (Longo 2003, 163). In fact, many of the convergence criteria in the PCA are derived from the *acquis communautaire*.

The PCA is thus more than a mere agreement between two independent parties since it requires interaction and responses. Article 6 of the PCA establishes a regular political dialogue that aims to increase ‘convergence of positions on international issues of mutual concern’. Forums for the multi-level dialogue are the biannual EU-Russia Summits and a range of Councils and Committees. The political dialogue provides an opportunity to review the achievements with regard to normative convergence and to discuss breaches of values. Ultimately, the PCA has thus augmented EU-Russia relations to a level of frequent interaction where norms and values play a central role. In this sense, the PCA has become an instrument of the EU to further its milieu goals.

It has been argued that the PCA is an example of a *post-sovereign* international institution that is characterized by a broad scope and a focus on norms and values next to material interests that lead to an asymmetrical and challenging relationship with regard sovereignty (Haukkala 2010a, 86). The EU acts as an exporter of norms and values and in doing so it expects that Russia will converge to the norms and steadily adopt what are considered as European values. In fact, much of the EU’s approach to interaction with Russia supports this assumption. Nevertheless, despite Russia’s initially expressed commitment to the PCA, a clear divergence in terms of norms and values in the EU-Russia relationship persists. In essence, Russia has repeatedly refused to harmonize norms and adopt European values. This clearly came to the fore in situations during which values were breached or not sufficiently defended. Examples are the Russian military operations in the Caucasus where numerous human rights violations have been reported (see for instance Amnesty International 1999;

\(^5\) Differently from how the term is used in the IR literature, ‘norm’ is used here in a rather technical sense that is consistent with the meaning of the term in EU documents. Nevertheless, it should be noted the normative power Europe debate also applies a more encompassing understanding of norms when it refers to both what has been labeled ‘European values’ and European norms in their technical sense.
Human Rights Watch 2000; Médecins Sans Frontières 2002), infringements on the freedom of the press, the assassinations of critical journalists such as Anna Politkovskaya and the suppression of the political opposition. But Russia also communicated reluctance to simply act as a norm/value-taker in various instances. Normative hegemony of the EU appears to be increasingly incompatible with Russia’s regained sense of power (see for instance the discussion in Haukkala 2010b, 165–171). For instance, Russia has rejected an agreement with the EU under the framework of the European Neighborhood Policy (ENP) which is based to large degree on normative convergence and political conditionality. Since it regards itself as an ‘equal partner’ to the EU, Russia does not want to be subjected to EU values and rules any longer.

Russia’s regained self-conscience marks an important turning point in EU-Russia relations, because to a certain degree the foreign policy approach adopted by the EU in the 1990’s was targeted at the challenges of the post-socialist time. The Russia that was that was left after the Soviet Union fell apart was heavily dependent on European assistance. The Russia of and following the Putin era, however, steadily regained the status of an economic power, primarily due to its role as the most important supplier of energy to the European Union. As a consequence of this development it is hardly surprising that Russia is not fully committed to agreements with the European Union that it regards as imposed and ultimately as a challenge to its sovereignty.

Essentially, the willingness to impose sanctions on Russia and the underlying inability to agree on sanctions that would have a more substantial effect depicts a central dilemma of the EU’s foreign policy approach. On the one hand, Russia’s responsiveness and adherence to European values is clearly limited. More or less frequently, problems with regard to human rights, liberal democracy or the rule of law are reported. In accordance with its value-based foreign policy approach, the EU is expected to react in such cases. On the other hand, the EU is economically heavily dependent on Russia, particularly in terms of energy imports. This dependency corresponds with specific interests of the EU and its Member States that have repeatedly prevented a harsh policy responses towards Russia for the sake of good relations and the attainment of an important possession goal. As a consequence, interests (primarily regarding trade or security aspects) and ideas (mostly in the form of European values) are mutually exclusive rather than balanced in the EU’s foreign policy agenda.

This, once again, raises important questions to what kind of foreign policy actor the European Union is. The debate on a ‘Normative Power Europe’ (Manners 2002; Manners 2006; Sjursen 2002; Sjursen 2006; Diez 2005; Pace 2007) has been particularly influential in providing a constructivist conceptualization of the EU as a foreign policy actor by shifting the focus away from power-based realist explanations to the idea of a ‘soft power’. The concept coincides with the value-based foreign policy approach that the EU has applied towards Russia in negotiating the PCA and when it criticized
Russia for breaching the commonly agreed values. Nevertheless, in case that the EU is a normative power as opposed to military or civilian power, then one would expect the EU to act consistently on the application and promotion of norms and values.

As noted above, the EU has repeatedly criticized Russia for not sufficiently secure the European values as stated in the PCA and follow-up documents. Criticism has taken different forms. It has been part of speeches given by Heads of State or Government, in particular when their respective country held the Council Presidency. European top level policy-makers of all major EU institutions have also repeatedly articulated their discontent with Russia, amongst others the President of the Commission José Manuel Barroso, the then-High Representative for Common Foreign and Security Policy Javier Solana, the High Representative of the Union for Foreign Affairs and Security Policy Catherine Ashton, the President of the European Council Herman Van Rompuy and various Presidents of the European Parliament (EP) such as Josep Borrell, Hans-Gert Pöttering and Jerzy Buzek. Additionally, concern of the human rights situation in Russia has been mentioned in Parliamentary Debates of the EP, in its Resolutions and in Council Presidency Conclusions. While debates in the EP and EP Resolutions often take on a harsh stance on Russia with regard to questions of respect for human rights and liberal democracy, Council Presidency Conclusion are generally more diplomatic and less confrontational. Nevertheless, between 2003 and 2010 6 Council Presidency Conclusions made specific reference to the human rights situation in Russia or reminded Russia to adhere to the common values.

**Tensions between milieu goals and possession goals**

These quotes and statements in EU documents suggest that the EU takes the normative approach to its foreign policy seriously. However, reality often presents a different picture. Three different but interconnected points contribute to this. Firstly, EU foreign policy is not a clearly defined field. A rather narrow definition might consider EU foreign policy as all actions that fall under the framework of the Common Foreign and Security Policy. In contrast, a much wider concept of EU foreign policy is based on the definition provided by C. Hill who regards foreign policy as “the sum of official external relations conducted by an independent actor (usually a state) in international relations” (Hill 2003, 3). In line with this definition, the EU is considered as an ‘independent actor’ who maintains ‘official’ relations on a much wider basis than subjected to the area of CFSP with other actors. In this respect an important example is the EU-Russia relation in energy policy. Both parties are heavily

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6 Numerous quotes in this respect were found in articles of ‘Agence Europe’ from the year 2000 to 2010. A more detailed qualitative analysis of the Agence Europe database will be constitute a major element of the empirical part of my PhD thesis, besides interviews with civil servants.
interdependent since roughly 60% of Russia’s oil exports and 50% of its gas exports go to the EU while for the EU Russia is the single most important supplier of energy products supplying approximately 25% of its oil and 25% of its natural gas consumption (numbers taken from Tarradellas Espuny 2009, 8).

Not least due to the importance of energy products for the economy, the EU has made considerable efforts to establish a European Energy Policy. The decision to begin such a process was agreed at the Hampton Court European Summit in 2005. After a lengthy process a large step forward has been taken with the inclusion of a chapter on energy policy in the Treaty of Lisbon, albeit it is still too early to speak of a fully-fledged EU policy field (see for instance the discussion in Braun 2011). Nevertheless, since the EU is heavily dependent on energy imports and hence on stable and long-lasting relations with energy suppliers, energy policy has a significant external dimension. The statement of German Chancellor Angela Merkel that “energy policy must be an integral part of the Union’s foreign policy” emphasizes this aspect. It is therefore pivotal to highlight that, while the EU’s foreign policy approach towards Russia is largely based on milieu goals (i.e. the normative agenda to shape the external environment), possession goals (in the form of specific interests) play an increasingly important role.

Secondly, the EU’s normative approach is challenged by the different levels of interaction in which relations with Russia take place. Bilateral relations of EU Member States, in particular with regard to energy, undermine the EU’s ability to speak with ‘one voice’. Prominent examples of EU Member States’ bilateral relations with Russia are the individually agreed long-term gas supply contracts and pipeline projects such as ‘Nord Stream’ in which only some Member States participate while others are being bypassed. Bilateral at the level of EU Member State also persisted during times, when Russia was heavily criticized by the EU for violating human rights, such as during the Second Chechen War. It has been argued that the Member States used the framework of the CFSP to show their disapproval with Russia while simultaneously being quite pragmatic about their bilateral relations and carrying on business as usual (Barysch 2006; Barysch 2006, 119). In particular the larger Member States pursued common interests and left questions with regard to Chechnya aside when dealing with Russia (see for instance Forsberg and Herd 2005).

Throughout the first decade of the new millennium the Union has repeatedly applied this ‘double strategy’ or ‘constructive engagement’. Hereby, engagement in mutually beneficial cooperation based on common interests goes hand in hand with criticizing Russia for breaches of common values. Such a development in the Union’s and Member States’ foreign policy is, nevertheless, counterproductive because it undermines values as the very basis for the Union’s

\footnote{Quote taken from Agence Europe, March 26, 2006.}
foreign policy actions. Hence it is not surprising that the ‘double strategy’ has come under criticism. Javier Solana for instance has disapproved the disunity in the Member States’ foreign energy policy as “limiting [the EU’s] ability to move forward [toward] broader objectives of foreign policy, conflict resolution, human rights and good governance”, particular with regard to negotiation partners that “do not necessarily share our interests and our values.” A divided Europe thus not only decreases the Union’s actorness but at the same time makes it difficult to obtain the support from key partners, such as Russia, on broader foreign policy objectives. This indicates that the achievement of milieu and possession goals is ultimately linked.

Thirdly, the European Union’s normative foreign policy approach is difficult to sustain once the partner shows a limited responsiveness to the promoted values. On the one hand, as shown above, Russia has repeatedly discredited the EU’s export of norms and values. On the hand it is very much aware of the Member States’ dependence on Russian energy exports and that it can best exploit its market power once the EU does not negotiate as a unitary actor. As a consequence, Russia has little interest in an EU speaking with ‘one voice’. This attitude is reflected in the Russian foreign policy strategy of ‘divide and rule’, which seeks to bilaterize both deals and disputes with its European partners (Leonard and Popescu 2007, 13). Following the same logic, Russia avoids larger deals with the EU that it regards as unbeneﬁcial. One such example is the non-ratification of the Energy Charter.

Russia’s growing reluctance to engage in agreements with the EU has progressively strained EU-Russia relations. In 2007 tensions reached ahead on the question of market access for companies in the energy sector. The EU’s Commissioner for Trade, Peter Mandelson regretted that EU-Russia relations contained “a level of misunderstanding or even mistrust [that has not been] seen since the end of the Cold War.” For the European Union and its Member States, dealing with Russia that is self-aware of its regained powers poses difficulties. The French Foreign Minister Bernard Kouchner admitted that “Russia is no longer the same. It has changed. It has found an authority, an attitude, a language in the world which are not the same. This creates a problem we have to rise to.”

The normative approach to foreign-policy that the EU seeks to advance is thus undermined by the broad scope of EU foreign policy, multi-level relations with third states and the often-criticized inability of the Union to speak with one voice. All of this is reinforced once a partner shows little responsiveness to the Union’s achievement of milieu goals. In fact, there seems to be a fundamental

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paradox in the EU Foreign Policy, which is sovereignty-challenging on the one hand, yet pursued with a limited range of available instruments on the other hand. This suggests that a ‘soft approach’ or ‘soft diplomacy’ is only sustainable if it produces a substantial, coherent and stable policy output that creates actorness on the side of the Union and positive responsiveness on the side of the third party. Specifically with regard to Russia, conflicting foreign policy objectives of milieu and possession goals have contributed an incoherent overall foreign policy approach and hindered the elaboration of a Russia policy. The final section draws a connection between the policy content of policy areas (in terms of their broader objectives, i.e. milieu or possession goals) and their impact on the context of policy-making.

Looking inside: institutional processes and their relationship with milieu and possession goals

A first set of interviews conducted with national and EU civil servants of different institutions confirms that there are inherent tensions between the EU’s milieu and possession goals. Moreover, the interviews give some clues that this tension is subjected to several factor that correspond with the institutional setup of EU foreign policy-making.

The venues for coordination: national vs. European perspectives

A first point that is striking is that national and European civil servants see different venues as relevant for the coordination of different foreign policy issues. Interviews conducted in the German Federal Ministry of Economics and Technology (Bundesministerium für Wirtschaft und Technologie) and the German Federal Foreign Office (Auswärtiges Amt) clearly pointed to the importance of the national level as being central in shaping the coherence of EU foreign policy. Guidelines for the German energy policy are set in the Federal Ministry of Economics and Technology. At this stage of the research, interviews have been conducted with three different civil servants that all hold positions in divisions that give directions to German civil servants that prepare the meetings of the Council of Ministers at the European level. Likewise, one interview has been conducted with a civil servant in the Federal Foreign Office that is involved in coordinating the German position on Russia at the EU level, including the issue of human rights and democracy promotion.

Interviews at the Federal Ministry of Economics and Technology suggested that energy policy, including its external dimension, is inherently interest-driven. One interviewee expressed that the civil servants in the national ministries conduct and instruct energy policy for their colleagues at the EU level based on mindsets that are clearly subjected to national interests. The large bulk of
coordination of national positions takes place between the capitals before a topic is ‘lifted’ to the EU level. Coordination between the national representations in Brussels is comparatively limited. Also the interviewee in the Federal Foreign Office noted that coordination takes mostly place in the national capitals.

This suggests that motives for a specific course of a policy are ultimately to be found on the national level. Nevertheless, this picture is not confirmed by civil servants of the EU. Interviews conducted with a former ambassador from the Council’s Political and Security Committee (PSC) and with a civil servant from the EEAS have emphasized the importance of the EU institutions in re-shaping national policy priorities. The EEAS official pointed towards the service’s role in the elaboration of policy initiatives in conjunction with the Commission. By pre-discussing policy issues with the cabinets of van Rompuy, Ashton and in the national capitals options are explored and exploited. Once positions are known the scope of a proposal can be stretched as much as possible. Furthermore, the official sees, much to the contrary of the national civil servants, quite some scope for the discussion of issues in the Council apparatus. Specifically with regard to Russia, the COEST working party (Working Party on Eastern Europe and Central Asia) strives to coordinate different policy areas and thus impacts positively on horizontal policy coherence.

**The possibilities for assimilation of positions**

A second point that is worth emphasizing is that the interviewed civil servants had different opinions in how far there is scope to subject the insistence of national positions to agreement on a common foreign policy. In particular the officials from the Federal Ministry of Economics and Technology were harsh in this sense. One argued that there was no scope to any instructions for their colleagues at the EU level, and that this was the very nature of an instruction. Others agreed, albeit they had to add that this rigidity seemed to be a specific characteristic of the German instructions. The civil servants also regarded the making of energy policy as an inherently pragmatic craft. According to one, “coherence and consistency are actually no criteria. We have a concrete project, we have the national idea, we try to defend it and that works out more or less successful. In the end we simply have a result.”\(^{11}\) From the permanent representation they then get feedback whether the national position was ‘mostly achieved’, ‘partially achieved’ or ‘not achieved’.

This is in stark contrast to how EU civil servants view policy-making. In the interviews they depicted policy-making as a process that comes much closer to what Puettter calls deliberative intergovernmentalism (Puettter 2012). National positions may assimilate in intergovernmentalist fora due to argumentation and reasoning. Striking in this respect is that in particular those civil servants

\(^{11}\) Own translation.
involved in external energy policy-making saw extremely limited scope for fruitful involvement of the European level. Partially this is the case because, as they said unisono, the lack of a fully-fledged internal energy market impedes the assimilation of energy mixes and hence the prospects for a common (external) energy policy. Interestingly, this is different in human rights promotion. Seemingly, milieu goals, the shaping of the external environment, are more easily achieved through common action. All civil servants who are close or related to human rights and democracy promotion pointed out that EU initiatives are not only necessary but specifically requested by the Member States. Obviously this is much in line with what has been mentioned earlier in this paper: while at the national level business as usual is pursued with Russia, the blaming is left to the European level.

*European norms as guiding principles*

Finally, both depending on the issue and on the level of policy-making civil servants had different points of view in how far European norms, such as respect for human rights, constitute the very basis for all of the EU’s external action. Officials working in the realm of energy policy attributed, much in line with the pragmatic approach outlined above, a rather limited importance to European norms in their policy field. While one civil servant noted that the EU had become much stronger in the external energy field in the past 10 to 15 years, he saw the reasons in a range of processes that, however, are to be found exclusively in the field of energy and do not correspond with other policy areas or principles. Everyday external policy-making is ad hoc and based on recurring patterns. Only crisis situations may emphasize the need for coherence and consistency of the more general approach towards third countries.

Much in contrast, to the PSC ambassador and his colleagues consistency of different policy areas has become a “guiding principle [...] from day one”. Human rights issues were combined with other policy issues on a regular basis, their inclusion was “a regular exercise”. Similar observations were made by the civil servant from the EEAS. On human rights, she said, “the position is probably the least controversial or the least divided. All the member states do understand that human rights are at the core of the EU, the values. That’s accepted.” Hence the official did rarely encounter situations in which European values were not playing an important part within wider processes of policy-making. But, at the same time, she noted that human rights with regard to Russia had a more difficult standing than energy policy. “Energy kind of always gets a seat at the table in a way. [...]Human rights we always have to fight for it in a way, we always have to find a way to bring it in.”

On the other hand, also in the field of energy developments towards a more comprehensive and coherent approach at the EU level are not unlikely. Policy coherence seems to increasingly become a principle that is also emphasized in specific policy areas that follow possession goals. For the first time, the Council conclusions of the Transport, Telecommunications and Energy Council have
recently emphasized the need for horizontal coherence of EU external energy policy with other policy areas. A new priority is that “ensuring a timely involvement of other Council formations as well as of the High Representative and EEAS, in line with their respective responsibilities, can improve the coherence of the EU external energy policy as well as its coherence with other related policy areas.”

In how far this sentence impacts on external energy policy-making has yet to be seen.

**Persistent fault-lines between within policy content**

The interviews with civil servants suggest that there are some fault-lines between policy-areas that follow milieu goals and those that follow possession goals, or respectively human rights and democracy promotion on the one hand and external energy policy on the other hand. These fault-lines exist both within the policy context and the policy content. They are summarized in Tables 1 and 2.

The policy context displayed a difference between the levels of decision-making that have an impact on the policies following milieu or possession goals. Whereas Member States seem to be the key actors in the external energy policy, the EU level acts most of the time in external human rights and democracy promotion. In fact, Member States in the latter policy area are often seeking to upload the issue to the EU level. This is different with energy policy where Member States generally retain the mandate, although the interviewees indicated that there seems to be a potential for change, since increasingly more of such issues are debated at the EU level. In this sense, the policy context of policy areas following milieu and possession goals might assimilate. Nevertheless, there is still a discrepancy in which institutions play the major roles in dealing with the issues at the European level. In particular human rights and democracy matters are dealt with in a horizontal Council Working Group (COEST) and are hence more cross-coordinated compared to the external energy matters. This is also due to the fact that the EEAS tries to coordinate policy initiatives with a range of actors, such as the cabinets of van Rompuy and Ashton and the relevant ministries of the capitals of the Member States. In energy this is less the case, where Member States coordinate more at the national level and often seek alliances within groups of Member States of similar interest, what interviewees called ‘like-minded groups’. One reason for such different dynamics is that positions in human rights and democracy promotions are more stable; they are less prone to change and are thus more constant over time despite the fact that they make it less often on the agenda. In this sense, energy is discussed more frequently. However, whenever it comes on the agenda it does so on a more ad hoc basis. As interviewees pointed out, positions to external energy topics often have to be found under time pressure because they correspond with recent developments in the field. There is

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extremely limited time to consult other Member States, which is one of the reasons why national civil servants tend to coordinate the issue with those countries that are considered to be ‘like-minded’. External energy policy thus has a specific characteristic of a policy area the follows possession goals, which generally respond to shorter time frames, whereas milieu goals (human rights and democracy promotion) are more constant over time.

Nevertheless, interviewees also pointed out that coordination between the policy areas might increase since the policy context shifts to a range of venues that may deal with both energy issues and those issues that are more in corresponding with European values. Specifically, they pointed out the COEST Council Working Party, and, as noted in the end of the section above, a likely increase of coordination between different Council formations.

<table>
<thead>
<tr>
<th>Table 1: Fault-lines rooted in policy content that impact on policy context</th>
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<tbody>
<tr>
<td>Milieu goals (human rights and democracy promotion)</td>
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<tr>
<td>Main impact</td>
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<tr>
<td>Mandate</td>
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<td></td>
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<tr>
<td>Institutions</td>
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<tr>
<td>Coordination</td>
</tr>
<tr>
<td>Nature of the issue</td>
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<tr>
<td>Policy on agenda</td>
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<td>Venues for coordination of policy areas</td>
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</table>

On the other hand, fault-lines between policy areas that follow milieu and possession goals were also detected within the policy content. These are summarized below in Table 2. Basic interpretive analysis of the interviews with civil servants highlighted that a different language is used when referring to the topics. Human rights and democracy promotion are mostly framed with terms that indicate the importance of values. For instance, a former Spanish Director General of DG RELEX told the Russian delegation in the negotiations to a new PCA that to him, who was growing up in a
dictatorship under Franco, the words ‘human rights’ could not be mentioned often enough in the agreement. This is very much different to the external energy policy where possession goals are rather justified by referring to them as security issues. Examples that were repeatedly brought up in the energy area were the gas disputes between Russia and the Ukraine and the pipeline projects. Concerning human rights and democracy promotion, interviewees most often referred to specific cases such as the Chordokowski and Magnitsky cases, and more generally to the oppression of the opposition in Russia and the Chechen Wars. Also content-wise, they pointed out that on human rights and democracy promotion, Member States’ positions were “least divided” whereas peculiar national positions shaped the policy content of energy policy much more and coherence with other policy areas with regard to EU external relations was less important. Nevertheless, also here interviewees saw a potential for change. Slowly, they said, policy content of energy policy would assimilate.

**Table 2: Fault-lines within the policy content**

<table>
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<tr>
<th></th>
<th>Milieu goals (human rights and democracy promotion)</th>
<th>Possession goals (energy)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Framing</strong></td>
<td>values</td>
<td>security issue</td>
</tr>
<tr>
<td><strong>Examples</strong></td>
<td>Chordokowski and Magnitsky cases, Chechen Wars, oppression of the opposition</td>
<td>Gas disputes, pipeline projects</td>
</tr>
<tr>
<td><strong>Positions</strong></td>
<td>“least divided”</td>
<td>National interest shapes position, coherence less important</td>
</tr>
<tr>
<td><strong>Tendency</strong></td>
<td>Same</td>
<td>Potential for change</td>
</tr>
</tbody>
</table>

In sum, an analysis of a first round of interviews suggests that coherence between the policy areas portrayed here is undermined by their conflicting objectives. As such, the policy content is an important determinant in explaining the incoherent EU foreign policy. On a more general note, interviewees gave some sort of positive outlook for the future. They were certain that “things will change”. Nevertheless, concerning the status quo of human rights and democracy promotion and external energy policy, civil servants expressed frustration. In the former policy area, the interviewee was disappointed by the limited scope for policy sophistication due to Russia’s lack of
responsiveness. In external energy relations, interviewees regretted that the EU does by far not live up to its potential.

**Conclusion**

The paper has shown that both policy context and content undermine a coherent approach to the Union’s external relations. In particular the double strategy on achieving milieu and possession goals has often contributed to the mutual exclusiveness of the underlying policies. The EU’s normative foreign policy agenda based on the promotion of human rights and liberal democracy on the one hand and its energy interests towards Russia serve as a prime example in this respect.

The evolution of EU-Russia relations has repeatedly revealed inherent tensions between energy and human rights policies and their respective possession and milieu goals. Currently a new PCA is being negotiated that will, once again, make reference to European norms and values. In how far this inclusion has a substantial effect on policies remains unclear at this point in time. Yet, as the paper has also shown, institutional practices in the EU also contribute to a scattered picture of coherence and consistency in the EU’s foreign relations. Multi-level policy-making leaves different venues for policy coordination that do not always correspond efficiently with each other. Different policy contents reinforce this impression. Whereas the achievement of milieu goals is largely left to the EU level, Member States retain a greater say for themselves in the pursuance of possession goals as the example of energy policy has shown. This impacts on the assimilation of positions. There seems to be a correlation between stricter instructions that leave little scope for re-negotiations at the EU level in case possession goals are at stake. Milieu goals, on the other hand, seem to be left to the EU, possibly also the rather soft instruments are more effective if applied through a single actor. Finally, ‘core European values’ do not play a major role as the basis for EU external action on a regular basis as the energy policy example suggests. All of these factors have the potential to negatively impact on a coherent EU foreign policy approach.

Nevertheless, EU policy-making is not static. Much hope to increase the sophistication of the Union’s external policy coherence and thus its actorness was placed on the institutional innovations of the Lisbon Treaty. An important decision-making body of the EU’s external relations, the Council of Ministers and therein the Committee of Permanent Representatives and the Political and Security Committee, has been altered significantly. Additionally, the new position of the High Representative of the Union for Foreign and Security Policy can now table and bring together different foreign policy issues. The change in the context of policy-making may well contribute to a change in how content is
perceived, because it is expected that the institutional reconfigurations allow for more horizontal cross-coordination in between foreign policy areas which may socialize actors, trigger learning processes and eventually change the frames of policy content.
Bibliography


