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The Impact of the International Financial and Economic Crisis on the (de)Europeanization of national foreign policies in the Mediterranean

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The concept of Europeanization has developed considerably since its initial phase in the early 1990s when the focus was on analyzing the impact of EU (then EEC) membership. New conceptual tools like downloading, uploading, and crossloading have enriched that particular debate dealing with most policy areas and institutional arrangements. The question of the impact of Europeanization on national foreign policies has also now fully become part of the academic literature. Indeed, to date, there exists an important academic literature on the Europeanization of the foreign and security policies of European Union (EU) member states. In one of the latest studies available, covering ten member states of the then 27-EU, Hill and Wong\(^1\) provided the following comparative conclusions in relation to the degree and type of (de) Europeanization occurring:

- Significant Europeanization: Germany, Spain, Slovenia, France
- Engaged but partial/slow process: Italy, Finland, Denmark
- Erratic, unpredictable: UK, Greece
- Instrumental: France, Poland, Denmark
- Resistant but some change: –
- De-Europeanizing: Germany, Italy
- Never Europeanized: –.

Because Europeanization is a dynamic process there is more than one possible description for any country under study. Thus, several countries appear in more than one category (Germany, Italy, France and Denmark). The temporal factor is also, therefore, very important. Others that have analysed Europeanisation of foreign policy across EU Member States\(^2\) have also elaborated on the degree to which the impact of Europe depends on cultural, knowledge and resource factors and the strength of national executives; and they have also highlighted the degree to which the EU can act as both constraint and resource in the pursuit of national foreign policy goals.

The ongoing financial and economic crisis has, however, added further fuel to the ‘how Europe hits home’ debate – more broadly and related to national foreign policies - by

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focusing in particular on a possible reverse trend in that process, which we conveniently label ‘de-Europeanization’. As a result we argue that this Special Issue is particularly timely in presenting an analysis of the implications for the (de)Europeanization of a selection of Mediterranean EU member states (and Turkey as a non-member applicant), all negatively affected, in one way or another, by the crisis. The so-called EuroMed Club has seen many, if not most, of its members seeking and obtaining rescue packages, having to deal with severe banking crises and being subject to major fiscal pressure and reform. Others remain more positive whilst non-members such as Turkey seek to ensure stability and growth. Greece is one of the Mediterranean countries that has been most severely affected by the crisis, with a loss of 25% of its GDP.

n the last five years. In this context and the broader milieu of growing Euro-skepticism and Euro-phobia before and after the May 2014 European Parliament elections, we have witnessed the general collapse of public support for the European integration process as a whole — representing yet another crisis of democratic legitimacy for the European project. This has been a consequence of the austerity enforced on Mediterranean countries in particular, characterised by mass, rapid cuts in public spending and tight budgetary controls. Such cuts have, perhaps inevitably, also had an impact on foreign, security and defence budgets, and programmes of international aid cooperation.

This Special Issue thus aims to assess the extent to which the foreign policies of Mediterranean members and non-members of the EU have influenced (and have been influenced) by the ongoing financial and economic crisis. Importantly here the new context has posed a challenge to emerging trends in and patterns of (de) Europeanization. Whilst much work has emerged and is still emerging on the implications of the crisis for continued Europeanization, in particular with regard to public (social, economic, political, and so on) policies little attention has yet been given to the (re)orientation of national foreign policies in this context. The central focus of this Special Issue will thus be on addressing the issue of how the on-going economic and financial crisis has impacted on the Europeanization of the national foreign policies, broadly understood, of the six countries under study (Cyprus, Greece, Italy, Malta, Slovenia and Turkey). A related issue will be that of identifying whether it is possible to argue that, as a result of the crisis, there exists a de-Europeanization process; and if this is the case, whether it is of a substantial (embedded) or of a superficial (instrumental) nature. Exploring these key issues is critical in any consideration of whether such a process would be easily reversible, in particular in future times of possible economic growth. In addressing these core issues contributors have been allowed to interpret foreign policy in a flexible manner, focusing on different aspects of foreign policy (security, defence, and foreign economic policy) in the countries under study. This, we believe, enriches the contribution of this collective research volume.

For sure, as the papers in this Special Issue show, political circumstances across the countries under scrutiny vary considerably with different dynamics at play for members and non-members at any given moment in time. The situation in Greece following the

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election of a radical left party (Syriza) in coalition with a nationalist right party (ANEL) in January 2015 is testament to this; and has brought with it very different implications for patterns of (de) Europeanization in Greek foreign policy than that of Cyprus, or Italy, for example. Whilst the paper on Greece in this Special Issue discusses the issue of Greek economic diplomacy up until the election of Syriza, it is pertinent to acknowledge more broadly that in the Greek case even if there is no fundamental or overarching scepticism with regard to its membership of the EU, in the post-election and post-referendum milieu it is possible to identify signs of a re-evaluation of its foreign policy, characterized by a growing questioning of the EU’s external policies, and in particular whether Greek foreign policy should continue to align and support EU decisions on international affairs (e.g. on Russia and Ukraine or immigration policies).

More than seven years into the financial and economic crisis then, and given the above context, it is particularly adequate, relevant and important to assess its impact on the (de)Europeanization (see papers on Greece and Slovenia) of the national foreign policies of Mediterranean states, both EU members and non-members (see paper on Turkey), in order to provide us with a more informed idea of how patterns of Europeanization are changing, and the form that this is taking. That is, whether continuity is the order of the day (see papers on Italy and Malta), or we can observe (de) or further (re) Europeanization (see paper on Cyprus) in the context of crisis. Indeed how such patterns challenge explanations and trends in Europeanization that have gone before will be an important element of the analysis in this Special Issue. This in turn will have implications for the nature of the European project more broadly and significantly, the future engagement or (dis)-engagement of members and non-members alike with the norms, goals and priorities of EU foreign policy, and the ambitions of the EU as an actor in world affairs.

**The Concept of Europeanization**

Building on a vast literature on the general subject of Europeanization which began with a focus on the internal dimension of integration and eventually expanded to include the EU member states’ national foreign policies, the accepted definition consists nowadays of three inter-related dimensions: “Downloading”, “Uploading”, and “Crossloading”.

Downloading represents the initial approach to Europeanization: it is concerned with what Kennet Lynggard has recently referred to as the domestic implications of European integration. First signs of academic interest in Europeanization appeared in a book series on “the impact of EC membership” that was published by Pinter in the 1990s. Its main research questions were as follows: what is the impact of EEC/EU rules, provisions, principles, etc., on the way national policies are formulated through traditional institutional state instruments, arrangements and methods? Have the economic, political, social and administrative systems been affected? Have the economic, political, social and administrative systems been affected? It has eventually included foreign affairs as one of the many realms of public policies under study.

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Uploading appeared much later in the literature originating in the bottom-up dimension that eventually came to complement the earlier work on top-down impact. It represents a more complex system as it allows for considering issues such as the use of national veto power in EU decision-making processes, or for the “balancing” between small and big states. It also means that Europeanization is a process and that as such the input of downloading does not only produce institutional adaptation and modify foreign policy output at the national level, but also generates in turn new national input into the EU decision-making process and outcome. Thus, national preferences, values and principles, let alone interests, have also transformed EU external relations in a way that had not been anticipated in the early studies on the domestic impact of Europeanization. The various national characteristics of policy-making have also become relevant to any study of the way EU policies are made.

Crossloading offers a more holistic approach to the whole concept, stressing the mutually-reinforcing dimensions of the above two processes. It emphasizes its on-going nature (a process and not only a result). To use current fashionable parlance in the 2010s, it is concerned with “Deep Europeanization”, or “embedded” Europeanization. That is to say a phenomenon that ideally should be visible at all levels and among all actors of EU Governance. It would mean a practical extension of the “socialization effect” that has mainly been applied to elites to date. It would also indicate that in practice the “coordination reflex” of the early European foreign policy efforts could equally apply to all segments of public opinions and other civil society actors, let alone non-state institutions of all sorts and types. As a result, crossloading has opened up a vast array of necessary academic study of the role of non-state actors in the Europeanization processes: NGOs, media, political parties, and so on.

**Europeanization …and its Limits**

In a 2012 lecture, Kevin Featherstone warned against the real “risk of stretching the concept too far”. As a result, it may mean “everything and nothing”, thus rendering its purported usefulness quite irrelevant. Without necessarily reaching such rather extreme conclusions, it is important to bear in mind that the concept itself does have some limitations.

**Downloading** refers to national policies that were initially distinct from the general EPC/CFSP stances. First, there occurs a slow but stable process of downloading from Brussels, i.e. an adaptation to the preferences of “Brussels” (this is why the process is also known as “EUization” or “Brusselization”). Second, there are issues for which, prior to EC/EU membership, a given state did not have a clear policy, often no real interest in, a region, a state or an issue-area and was obliged to develop one because of accession. In other words, there are at least two types of downloading, thus adding further complexity to the concept itself. In theory, whereas the first version may lead to

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8 Inaugural Conference Lecture on “The concept(s) of Europeanization” by Kevin Featherstone (Eleftherios Venizelos Chair in Contemporary Greek Studies and Head of the European Institute and Director of the Hellenic Observatory, London School of Economics and Political Science), delivered on 14 May 2012 at the International Conference on Comparing and contrasting “Europeanization”: concepts and experiences, held in Athens.
more problems of adaptation, it may also occur that, when venturing into new geographical or thematic areas, a given state finds strong objections to a given EU policy.

As for uploading, it can, again, be divided into at least two categories: first, foreign policy issues where a given state’s foreign policy positively contributes to the shaping of an existing common European stance, thereby strengthening the overall influence of the Union. Second, other issues where there is simply a “transferring up” to Brussels of problematic national issues, often blocking a common European position. It is not by shifting levels that there is an added value to the Europeanization process. If uploading only amounts to that, then there is also a fundamental problem with the concept itself. This would indeed possibly reflect an inherent contradiction that makes the concept’s explanatory power questionable. This criticism is particularly relevant for the empirical cases described below.

The crossloading dimension brings into play not only the necessity of an approximation of the views held by elites and those held by public opinions, but perhaps more importantly, how to bridge usually existing discrepancies between the two. Such a process goes beyond the traditional European “democratic deficit” literature, a deficit known as “double deficit” in the case of foreign and security policies (due to the existence of similar deficits at the national levels, unlike other areas of public policies). For “crossloading”, the real issue is whether Europeanization is a superficial or a deeply embedded process. This in particular raises important questions on the often existing gap(s) between elites and public opinions. Three specific areas are of relevance here: (i) the so-called “difficult/problematic cases” of national foreign policy (identified by Manners and Whitman as far back as in 2000) as key tests for the evaluation of such a process; (ii) the Europeanization of security and defence policies, with a particular emphasis on external military interventions (the more “pacifist” public opinion approaches to international relations), but also questions about nuclear weapons; the wider “Euroskepticism”, let alone “Europhobia” that is usually associated with some member states (Britain, Czech Republic) and which has developed even further since the 2008 economic and financial crisis, especially among public opinions.

It is equally interesting to note that two recent studies have come to opposing conclusions on the increased “sophistication” in research on Europeanization: Thus, Alecu de Flers and Müller argue that “focusing on the processes of socialization and learning enhances our understanding of Europeanization in both its uploading and downloading dimensions”. On the contrary, Moumoutzis stresses that the distinction between downloading and uploading “has created more problems than it has resolved”. He also considers that uploading “is neither a type nor an explanation of

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10 Manners, I. and Whitman, R. The Foreign Policies of EU Member States (2001), op. cit.
Europeanization but may be one of its outcomes”\textsuperscript{14}. But even observers and analysts who do not include “crossloading” in their work agree that there is a difference between “thin learning” and “thick learning”\textsuperscript{15} something that others have defined as “crossloading” and which comes very close to “socialization” or deeper Europeanization.

However, and particularly relevant to what follows, Moumoutzis also argues that “[f]oreign policy change is guided by a logic of appropriateness – that is to say by considerations of what constitutes standard, normal, right or good behaviour within the context of the EU”\textsuperscript{16}. Brommesson had earlier developed a very similar argument when he applied “Normative Europeanization” to Swedish foreign policy. He argues that synthesizing normative power Europe à la Manners with “an ideational understanding of Europeanization would help us understand the normative effect on candidate and member states”\textsuperscript{17}.

Therefore the more traditional literature on the Europeanization of national foreign policies can be divided into two broad theses. One claims that there has been a positive Europeanization process trend in many an EU country. The other takes a much more critical view. It argues that even where there is some such evidence, this is only rather limited and really amounts to superficial Europeanization. There is also a third, more recent, trend that asserts that the whole concept might be rather problematic. Finally, a fourth approach can also be identified, arguing this time that perhaps even more sophistication should be sought: it calls for the addition of other dimensions from the now vast European foreign policy literature (for instance, normative power Europe). Whereas the first two approaches were fundamentally concerned with “finding” empirical evidence to “confirm” their respective theses, the two more recent approaches tend to question the very fundamentals of the concept itself.

**The Special Issue: Central Questions**

As a result of the above, the articles of this Special Issue will examine the extent (degree) to which the foreign policies of the countries under study do experience de-Europeanization; with the economic crisis the main independent variable.

The main research questions will be as follows:

*With regard to downloading*

\textsuperscript{14} Ibid, p. 608.
\textsuperscript{15} Alecu de Flers, N. and Müller, P., 'Dimensions and Mechanisms of the Europeanization of Member State Foreign Policy: State of the Art and New Research Avenues', op. cit., p. 28.
\textsuperscript{16} Moumoutzis, K., 'Still fashionable yet useless? Addressing problems with research on the Europeanization of foreign policy', op. cit., p. 615.
• Has the economic crisis contributed or not to a significant reduction in the adaptation of the foreign policy of Mediterranean states to the common policies and decisions taken under the CFSP or the CSDP? In which cases has there been differentiation and in which cases not? Is the economic crisis the only cause of this different stance when or are there additional or alternative factors?

• To what extent have foreign policy actions within the CFSP/CSDP context been reduced as a result of the economic crisis? For instance in terms of aid or humanitarian policies or with reference to participation in military missions. Another related question is whether interest at the national level for the international issues that concern the CFSP/CSDP show signs of relaxing or instead becoming more important and relevant. Have the member states under study shown signs of being more responsive (or less responsive) and therefore keener (or less keen) to adopt common positions on international affairs and adapt their respective foreign policies accordingly?

As to uploading

• To what extent/degree have Mediterranean states been willing to contribute to the adoption of CFSP/CSDP common stances and actions? Is there evidence of the fact that as a result of the economic crisis their foreign policies show signs of more independent, nationalistic stances that try to influence EU foreign policy? To what extent is there evidence of efforts (successful or not) to block or complicate the adoption of common positions and stances (decision-making process)?

As far as crossloading is concerned

• Is there evidence that the economic crisis has led to a process of degradation of the capacities of the EU’s foreign policy? To what extent have the economic crisis and the adoption of austerity and fiscal measures created conditions among public opinions, the elites or the main decision makers for questioning the basic norms and values that govern EU foreign policy, and in which countries?

• To what extent has the view that the EU is unable to defend the security of its member states began to appear? With the rise of Euroscepticism and of Europhobia is there evidence that conditions are being created for the de-Europeanization of national foreign policy? That is, are conditions emerging that can potentially undermine the European orientation of national foreign policies?

The Structure of the Special Issue

The contributions that follow in this Special Issue consider the above research questions in the respective countries under study.

In the first paper, Christou and Kyris show how the financial and economic crisis has had a rather perverse effect on Cypriot foreign policy. They argue that whilst the crisis and the consequent austerity measures imposed have engendered a great deal of Euroscepticism and disillusionment within Cypriot society relating to the EU more broadly, in relation to foreign policy, elites, and in particular the Cypriot ‘Europhile’
leadership, has sought further and enhanced re-Europeanisation rather than de-
Europeanisation. Indeed they argue that although the Cypriot leadership has tried to
ensure a balanced approach in its foreign policy, in particular towards Russia, that
overall the EU has remained in the eyes of foreign policy elites the most reliable partner
and arena for conducting external policy, precisely because of the value compatibility
with the EU and the knowledge that the EU offers Cyprus in projecting itself as a small
state and ensuring its short and long term security and economic needs.

Focusing on Greece in the second paper, Tsardanidis challenges the conventional view
of the gradual Europeanisation of Greek foreign policy since the early 1990s. Through
analysing the case of Greek economic diplomacy he demonstrates how Europeanisation
through demanding austerity measures along with strict structural reforms in Greece’s
institutions has been perceived as an “imposed Europeanisation”. He consequently
argues that Greek foreign policy has not been Europeanised in form or in substance in
relation to economic diplomacy and that, far from being a completed or indeed
embedded process, there has been a rather superficial (instrumental) adaptation which
has only partly affected the practices of elites in Greece and the opinions and ideas of
the Greek public. He further argues that in this context the economic crisis has served
only to further delegitimise any progress achieved in terms of the Europeanisation
process in relation to economic diplomacy and has affected in negative terms the way
Greeks feel about the European Union.

In the third paper on Italy, Monteleone takes a novel approach and directs her analysis
to Italian voting behavior in the UNGA to assess whether meaningful variations in
Europeanization can be registered because of the crisis. Focusing particular attention to
variation in the distance of Italian voting behavior from the EU majority and from
specific countries that were mostly involved in the economic crisis or represented
potential alternatives, she argues that whilst variations were registered after the crisis
they were limited and temporary; more the result of EU states’ difficulties in building
and maintaining a level of governance than the result of a process of Italian foreign
policy de-Europeanization.

Bojinović Fenko and Lovec, in the fourth paper on Slovenia, show through analysis of
pre and post-crisis foreign policy case studies how a process of disengagement and de-
Europeanization has occurred with regard to foreign policy. Moreover, they argue that
in the Slovenian case the European normative framework has in the light of the
economic and financial crisis lost its weight for Slovenian national foreign policies.
They demonstrate that Europeanization outcomes have changed from deep to strategic
(instrumental) socialization effects related to changed opportunities and constraints
provided by the Community framework in the newly emerged context of the crisis.

Sevket, focusing on a non-member state in the accession process (and therefore
primarily downloading), argues that Turkey has also exhibited signs of a drift away
from EU foreign policy positions in the context of the economic and financial crisis. In
his comparative analysis of Turkish foreign policy before and after 2005, he further
argues that the financial and economic crisis did not only alter the course of Turkey-EU
relations but also impelled Turkey to solidify its position in the East and rearrange its
national priorities in order to survive the potentially devastating impact of the crisis. In
this sense he shows how de-Europeanization has manifested itself in terms of Turkish
economic foreign policy re-orientation (in particular in the MENA) and with regard to more traditional foreign policy issues (Cyprus, Greek-Turkish relations, etc.) and dissatisfaction with EU and US approaches to events in Egypt and Syria. He further demonstrates how such shifts have acted as cause and effect of increasing Euroscepticism in Turkish society; the above coupled with a stalled accession process for Turkey, he argues, make re-Europeanisation of Turkish foreign policy very unlikely in the short to medium term unless there is a tectonic shift the prevailing ‘negative’ contexts.

In the sixth paper, Pace argues that the financial crisis has had very little effect on Malta’s EU foreign policy orientation. As a small state in the EU Pace shows how Malta has embraced the EU in order to enhance and transform its own status and identity as a foreign policy actor. Moreover he shows how the Europeanisation of Malta’s foreign policy coincides with the ‘world views’ of the majority of the political elite and the public. Focusing on certain salient security and defence issues for Malta (neutrality, immigration, energy security, Libya) he argues that because the financial crisis had very little impact on Malta in general, there has been little change in the way in which Malta aligns and coordinates with the EU in terms of foreign and security policy. Indeed he further argues that any changes that have occurred in Maltese foreign policy can be mainly accounted for not by the financial crisis, but by changes in domestic political configurations, the transformations and crises in the Mediterranean, and climate change.

Overall, the papers in this Special Issue point to nuanced and dynamic changes with regards to the processes of re-Europeanisation and de-Europeanisation of the national foreign policies under scrutiny in the context of financial and economic crisis. De-Europeanisation is certainly on the rise across the Mediterranean it seems in terms of foreign policy orientation – both in a normative and strategic sense in the cases of Greece, Turkey, and Slovenia. In the cases of Italy and Malta, it has been a case of business as usual, with no significant variation in the patterns of Europeanization with regards to their foreign policy orientation. The case of Cyprus is illuminating for its perverse effect – scepticism within the public domain has not filtered through to foreign policy; key factors in this process being that of elite leadership but also the continued importance of the EU arena to the achievement of Cypriot foreign policy values and goals. Important to these emerging and changing patterns in the Mediterranean in addition to the financial and economic crisis, have been dynamic processes of transition and existential crises – whether regionally in the Eastern and Southern Mediterranean and the Middle East or Russia and Ukraine, or domestically, in relation to changing governance actors and institutions at domestic level.

What we can conclude from the evidence in this Special Issue – with some caution given the fragility of the European milieu – is that there has been a certain amount of inertia leading to disengagement and contestation with regards to crossloading in the case study countries – but this has clearly been differentiated between elites and the public, leading to different outcomes (e.g. re-Europeanisation in Cyprus and de-Europeanisation in Greece). The contested nature of the European project is unlikely to dissipate in the short term given the longevity of the financial crisis and its continued impact; the consequences on the foreign policies of the states under scrutiny here are thus likely to remain variegated in terms of uploading, downloading and crossloading –
with impact continuing to be mediated by fluid domestic but also regional crises, events and dynamics for years to come. For the EU, the implications are most likely to manifest themselves in the ‘disunity’, ‘incoherence’ and potential ineffectiveness of its foreign policy goals, objectives and policies if patterns of de-Europeanisation continue to persist, spread and become embedded across the Mediterranean. Moreover, the nature of the integration project – and its underlying values – will continue to be interrogated in a Europe where the ongoing financial and economic crisis is having such a differentiated impact, and where the crisis has implications for the national foreign policy identities, interests and orientations of EU member states and non-members in the Mediterranean.