

The Reform of ESDP and EU-NATO Cooperation

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Although the EU has taken over the operation in Macedonia from NATO and carried out an autonomous operation in Congo, there is still reluctance to take responsibility for more demanding tasks. Nevertheless, due to American unilateralism and the Iraq crisis, a slow consensus is emerging among the major players that a credible European foreign, security and defence policy is needed. This article argues that with the Berlin Plus agreements all institutional arrangements required to carry out EU-led operations are in place. Furthermore, it argues that the survival of NATO depends largely on the development of credible European military capabilities. Finally, only through the development of a common defence can Europe get more "bang for the Euro". The US should, therefore, support rather than hinder further development of ESDP.

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The making of the European defence policy

Considering the three decades it took to establish a single European market, the common European security and defence policy seems to be developing rapidly. The geopolitical changes of the 1990s led to the realisation that Europe's economic and political integration process needs a security and defence complement. First, Europe is no longer the US' number one priority. The US strategic focus has shifted from Europe to the Koreas, Taiwan, the Caspian Sea basin, the Gulf Region, the Middle East and South America. This trend has been reinforced by the events of 9/11 and the war on terrorism. Second, when Yugoslavia collapsed in the early 1990s, the Europeans were unable to develop a common and coherent foreign policy line and, third, they were militarily incapable of dealing with the atrocities taking place in their own backyard.

During the early 1990s this led to the realisation that the West European Union (WEU) should take the lead in reorganising European armed forces for the requirements of force projection and crisis management. As a result, in 1992 the WEU defined the so-called Petersberg tasks and the Maastricht Treaty established the EU's Common Foreign and Security Policy (CFSP). The birth of the European Security and Defence Policy (ESDP) with the Amsterdam Treaty in 1997 was the logical next step.

Of great importance in accelerating the development of a European foreign, security and defence policy was the initiative to revitalise the defence component within the CFSP taken by Blair and Chirac during their meeting in St. Malo (1998). At the June 1999 Cologne Council the heads of government and state agreed that the EU must have the ability and capacity to take decisions for autonomous action on the full range of Petersberg tasks, irrespective of actions taken by NATO. An institutional framework was established with a Political and Security Committee, a Military Committee supported by a Military Staff and a High Representative for the CFSP. The Helsinki European Council (December 1999) agreed on a Headline Goal, which led to a force catalogue for an EU Rapid Reaction Force of 100,000 or more troops, 400 combat aircraft and 100 ships.¹ The Nice Summit (2000) decided to incorporate the functions of the WEU, with the exception of the collective defence clause, into the EU Treaty. After lengthy negotiations with NATO member Turkey about assurances of its involvement in the ESDP, the Copenhagen Council (December 2002) agreed on the Berlin Plus arrangements. This committed NATO to providing the EU with assured

¹ European Union, General Affairs Council "Defence: Military Capabilities Commitment Declaration," Press Release no. 13427/2/00, Brussels, 20 November 2000.

access to NATO planning and command structures as well as to collectively owned NATO assets.

As a first step, the EU started planning the take over of NATO Operation Allied Harmony in Macedonia. EU Operation Concordia, with its 320 peacekeepers, started on 31 March 2003. While some plans for taking over the stabilisation force, SFOR, in Bosnia were also initiated, they soon slowed down, largely because the United States did not yet want to give up its involvement there. Nevertheless, a decision to hand over responsibility for SFOR to the EU could be reached during the 2004 NATO summit. Due to the improved security situation in Bosnia, the composition of SFOR could be reconsidered, that is, less military personnel and more police.

On 5 June 2003, the EU Council adopted a Joint Action to launch a military operation, code named Artemis, in the Democratic Republic of Congo. UN Security Council Resolution 1484 authorised the deployment of an interim emergency multinational force in Bunia to contribute to the stabilisation and security conditions and improve humanitarian conditions. Due to the EU's lack of a deployable headquarters and other command and control facilities, France acted as a "framework nation" for the some 2200 peacekeepers. The UN took over the mission on 1 September 2003.

The lack of deployable forces and capabilities

The first problem for carrying out more demanding missions is the lack of deployable forces for expeditionary warfare. The force posture of most European countries reflects a preoccupation with stabilisation and reconstruction, in fact, there is no shortage of peacekeepers. The EU member states have approximately 1.5 million men and women under arms. But they are capable of deploying approximately only 10 percent of them for combat missions abroad since most European allies not only rely largely on conscripts, but still invest mainly in territorial defence.

There are, however, important differences within the EU. Undoubtedly, the most capable member state is the United Kingdom, which deployed almost half of its entire armed forces to Iraq. Regarding defence restructuring, only the British, the French and the Dutch seem well on track. Despite budget cuts and downsizing, they have managed to restructure their armed forces for expeditionary warfare. Germany faces the biggest challenges. Still struggling with its legacy of the past, it cannot abolish conscription because of the negative consequences it would have on the country's social system.

The second problem is capabilities. Most European countries are low on assets for expeditionary warfare. There is a lack of highly mobile specialised forces, trained and equipped for missions in complex terrain such as cities and

mountains. Europe also lacks sea- and air-lift capabilities to transport its forces to distant places and to support these forces logistically during their deployment. Europe's most pressing problem is the absence of an operational framework for warfighting operations. During the Cold War, the United States provided the backbone of the defence against the Warsaw Pact, leaving Europe with few deployable headquarters, command and control facilities and means for intelligence gathering, such as satellites.

Improving deployability and correcting deficiencies is a political, conceptual and budgetary problem. The political aspect refers to the unwillingness to get involved in risky warfighting missions. This adversity to risk can to some extent be explained by Europe's political culture. The EU is a post-modern system which is neither state nor federation. In contrast to traditional modern states, security is not provided by armed force, but by self-imposed rules of behaviour and mutual interference in each other's domestic affairs. The demilitarisation of relations within the system explains the reluctance to use force outside the system. Most Europeans are proud of these achievements. Yet, while the EU is a zone of peace, the reluctance to consider armed force as a foreign policy instrument not only prevents the Europeans from developing credible foreign, security and defence policies, but also from restructuring their armed forces.

The conceptual problem refers to force transformation. Transformation is about adapting armed forces to new methods of warfare. The US force transformation is driven by concepts such as network-centric warfare (NCW) and effects-based operations.² During Operations Enduring Freedom and Iraqi Freedom, the Americans applied forms of this new method of warfare with great success. Situational awareness, provided by vastly improved computer systems for command, control, communication, computers, intelligence, surveillance, target acquisition and reconnaissance (C4ISTAR), contributed to the synchronism, simultaneity and speed of the combined and joint operations. Land power reinforced air power and vice versa. Everything that could be seen on the battlefield was destroyed almost instantaneously with great precision and focus. Operations were not hampered by bad weather or the dark. As a result, quick victories were won with few friendly losses and low levels of collateral damage. A similar transformation could turn Europe's armed forces into a more usable political instrument, better matching its political culture.

² J. Arquilla and D. Ronfeldt (eds) *Networks and Netwars: The Future of Terror, Crime and Militancy* MMR-1382, ODS (Santa Monica, Calif.: RAND, 2001); D. S. Alberts, J. J. Garska and F. P. Stein, *Network Centric Warfare: Developing and Leveraging Information Superiority* (Washington: DoD CCRP Publication Series, 1999); and E. J. Dahl, "Network Centric Warfare and the Death of Operational Art", *Defence Studies*, vol. 2, no. 1, 2002 pp. 1-24.

Finally, most EU member states face severe budgetary constraints. The political and conceptual problems mentioned make it even more difficult to increase defence budgets. Governments struggling with the choice between an armed force for warfighting or for stability and reconstruction are unlikely to spend money on the former. Only a handful of countries, including the United Kingdom, France and Portugal, have decided to increase their defence budgets.

The NATO Response Force

Europeans have not fully grasped the issue of force transformation. In an attempt to introduce the new thinking in Europe, the US proposed the creation of a NATO Response Force (NRF) at NATO's Prague summit. As a European test bed for new concepts, it is meant to spearhead force transformation. If Europe wants to participate in future combat operations with or without the US, it has no choice but to take this development into account and make network-centric and effects-based concepts the focus of force transformation.

The key question is how the NRF relates to the EU Rapid Reaction Force. Secretary Rumsfeld's original proposal, discussed at the informal NATO meeting of defence ministers in Warsaw in September 2002, mentioned a force for the most challenging missions consisting of an air component capable of carrying out 200 combat sorties a day, a brigade-sized land force component, and a maritime component up to the size of a standing NATO naval force, typically of approximately eight frigates or destroyers. The force could consist of a total of up to 21,000 personnel. It would be capable of fighting together on 7-30 days' notice anywhere in the world. It should be fully operational in October 2006.³ The Response Force draws upon the pool of European high readiness forces. Although troop rotation was mentioned in Rumsfeld's white paper, it later turned out that the plan envisioned three response forces that would rotate and have different levels of readiness. Only the stand-by forces would be deployable. Consequently, a total of 63,000 troops would be required; exactly the number required to fulfil the Helsinki Headline Goal. If a 5:1 rotation scheme is used, the number of troops required is more than 100,000; exactly the number listed in the EU's force catalogue.

The trouble is that both forces draw upon the same limited pool of deployable personnel. As the EU member states only have approximately 150,000 troops capable of executing combat missions and a large portion are listed in the EU force catalogue, it is clear that most of the EU's most

³ NATO, Prague Summit Declaration, 21 November 2002, paragraph 4a.

capable troops will be "double hatted". This would not be a problem if some US officials did not insist on NATO's "right of first refusal". This would effectively block the use of units assigned to both the response force and the EU's reaction forces. These officials also favour early "transfer of authority" of the stand-by force to a NATO joint force commander. This would deprive the Europeans of some of their most capable forces for independent action. Finally, these officials favour a division of labour whereby the NRF is intended for high-intense combat and expeditionary strike missions, and the European force is focused on peacekeeping tasks. As both forces draw from the same pool of forces, this option, which deprives Europe of the capability to carry out operations in the upper spectrum, is a non-starter.

Indeed, the biggest risk is that "pro-America" countries choose in favour of the NATO option, while "pro-Europe" countries choose in favour of the European option, once again paralysing the development of European capabilities. If the response force is mismanaged the whole process towards more capable European defences will again be stalled.

Force transformation requires European investments, mainly in software and C4ISTAR. As most EU member states are unlikely to increase their defence budgets substantially in the near future, the necessary money can only be found by striving for a common defence – no longer organising defence on a strictly national basis – as envisioned in the Amsterdam Treaty. First, removing defence bureaucracies in EU member states will free up more money for capabilities, but that will only be possible if Europe develops a centralised defence bureaucracy in support of supranational decision-making. Second, a European defence based on supranational decision-making opens the perspective of role specialisation and commonly owned capabilities. Member states could specialise in niche capabilities or a focused toolbox of a limited range of capabilities. Moreover, member states will be more willing to pool scarce resources and create more collective capabilities. Consider the following example: country X specialises in air power, country Y in land forces and country Z in naval forces. In this case a supranational authority would have the power to combine the force elements of these countries into one Combined Joint Task Force. Without supranational authority, a country not willing to deploy its capabilities could effectively block the entire operation. As NATO is not part of Europe's integration process, a supranational approach is only possible through the EU.

The US has always been ambivalent towards the development of European capabilities. But it is obvious that the present lack of capabilities undermines the prospects of Europe emerging as a strategic partner – one that can work together with the Americans in the war on terrorism and stability operations in Afghanistan and Iraq. Only credible European military

capabilities and the willingness to use them can support America's foreign policy objectives. Hindering Europe's development of capabilities for autonomous action makes it difficult for Europe to transform its armed forces into a usable instrument of foreign and security policy and to enhance cooperability with US forces as well. Thus, if America wants transformed European armed forces and a "bigger bang for the Euro", it should vigorously support the European integration process and the creation of a European defence. The US must also realise that, without EU involvement, the force transformation process will be financially unfeasible and that it will be politically impossible to get key players like France and Germany on board.

During the Prague NATO summit of November 2003, US President Bush stated that the survival of NATO is dependent on credible European capabilities. This is another reason why the US should vigorously support the further development of the ESDP. Indeed, the war on terrorism and the need to bring stability to war-torn countries and vital regions requires the EU to develop credible European defences as a way to improve NATO's overall capabilities.

This does not mean that Europeans should copy US armed forces. Network-centric warfare requires full interoperability in terms of doctrine and capabilities. As long as Europeans are not willing to drastically increase and rationalise their defence spending, this approach is unfeasible. Alternatively, the Europeans should focus on network-enabled operations. Co-operability instead of inter-operability should be the focus of force transformation. This would require compatible C4ISTAR, allowing European armed forces to "plug in" their units to achieve sufficient battlefield awareness and to reduce sensor to shooter times. Actual military operations could still be conducted according to national doctrines, which would nevertheless gradually converge with those of the United States.

The future of European defence

The Iraq crisis has triggered the deepest transatlantic crisis in many years. The Bush administration's unilateralism based on selective engagement in world politics, its narrow interpretation of national interest, its scepticism towards international institutions, and its desire to prevent a peer competitor from emerging explains the widening rift between the US and some of the major continental European players. New divisions in Europe have emerged as well. Spain, Italy and most East Europeans supported the United States and the United Kingdom, while a German-French alliance opposed the policies of President Bush and Prime Minister Blair.

France's strong resistance to US policy towards Iraq derives from its opposition to a unipolar world which would marginalise the French and overall

European influence in world affairs. France used to be alone in its desire to use international institutions and *ad hoc* coalitions as a counterpoise to the US. Others, including Germany, have now joined in. Chancellor Schröder has called for a more integrated Europe to offset US hegemonic power. Indeed, the importance of Franco-German cooperation should not be underestimated. Yet, by marginalising France and Germany during the Iraq crisis, it seems as if Washington failed to fully grasp this development and its consequences, including the emerging consensus about the need to develop a credible ESDP. As a result of the new Franco-German Elysée Treaty of 22 January 2003, in which both countries agreed to harmonise policies in a strategic partnership, France and Germany have become the driving force for European integration.⁴ The result of this development is felt all over Europe.

As a direct consequence of this Franco-German cooperation, new initiatives were taken for closer European defence cooperation. On 29 April 2003, the heads of state and government of France, Germany, Belgium and Luxembourg gathered for a summit in Brussels in an attempt to form a defence core group. It was argued that American unilateralism had demonstrated that the Union has no choice but to develop a credible foreign, security and defence policy. The Union must be able to speak with one voice and play its role fully on the international scene. This requires a credible security and defence policy. Consequently, a European Security and Defence Union was proposed.⁵ At the same time the four countries argued that although the transatlantic relationship remains a strategic priority, a genuine partnership between the EU and NATO is a prerequisite for a more equal relationship between Europe and the United.

Despite these reassurances, the summit caused a major crisis in transatlantic relations. Especially the proposal to establish a EU military planning headquarters for European autonomous action created much controversy with the United States and the United Kingdom. The crisis deepened when in September 2003, Belgium's Prime Minister Guy Verhofstadt announced that the plans to build a European military command headquarters at Tervuren near Brussels would go ahead next year despite UK and US opposition. US Ambassador to NATO Nicholas Burns, called the proposal "one of the greatest dangers to the transatlantic relationship".

Nevertheless, during the months following Operation Iraqi Freedom, European leaders began to realise that these divisions would not only

⁴ Joint Franco-German Declaration on the Occasion of the 40th Anniversary of the Elysée Treaty, Paris, 22 January 2003.

⁵ Meeting of the Heads and State and Government of Germany, France, Luxembourg and Belgium, Brussels, 29 April 2003.

marginalise Europe, but could jeopardise its integration process, have severe economic implications, and be an obstacle for the successful conclusion of negotiations on the EU's constitution as well.

First, the Union showed signs of a more muscular approach to CFSP and ESDP. Meeting in Luxemburg in June, the foreign ministers agreed on an action plan to counter the proliferation of weapons of mass destruction, if necessary with the use of force. In addition, they urged Iran to sign an agreement that would allow for more inspections of its nuclear facilities. Second, the leaders of France, Germany and the United Kingdom embarked on new reconciliation efforts. For the United Kingdom, the Franco-German two-step had signalled possible difficulties in maintaining Britain's leadership in European defence integration. After the decision not to join the euro, Britain had placed its bets on European defence. With decisions concerning European defence cooperation worked out preliminarily by Berlin and Paris, the United Kingdom would be forced to play along or left out altogether. With the exception of a small step towards a compromise on Tervuren, the "Big Three's" summit in Berlin on 20 September 2003 did not lead to concrete results. However, at the Franco-British summit of 24 November, the two proposed to shape up the EU's rapid reaction capabilities for autonomous operations with the creation of several highly deployable joint and combined task forces or *battle groups* of roughly 1500 troops.⁶ If successful, such a capability would provide a significant impetus for EU operations in the full range of Petersberg tasks.

By the end of 2003 most ideas presented by France, Germany, Luxemburg and Belgium were no longer rejected by the United Kingdom and consequently the United States. On 12 December, the Big Three reached agreement on a military planning unit. The EU would establish a planning cell at SHAPE, NATO's military headquarters; NATO would establish a liaison team at the EU Military Staff; and the Military Staff would be enlarged with a military planning unit. For an EU-led operation, this unit could be linked to deployable elements of national headquarters, which together could form a European headquarters.

On the one hand, the United Kingdom allayed US concerns by insisting on cooperation between SHAPE and the EU Military Staff; on the other hand, Blair needed French and German support to defend contentious issues regarding the draft Constitutional Treaty, including retention of the national veto in foreign affairs. In exchange, Chirac and Schröder were supposed to apply pressure on Poland and Spain to accept the new EU voting system, which would diminish the influence of Warsaw and Madrid.⁷

⁶ Declaration Franco-British Summit, London, 24 November 2003.

⁷ "EU's Big Three in Pact Over Defence", *Financial Times*, 12 December 2003.

If adopted, the draft Constitution would be a major contribution to the further development of CFSP and ESDP.⁸ First, the document confirms the "progressive framing of a common defence policy, which might lead to a common defence".⁹ It provides for an EU Minister of Foreign Affairs to conduct CFSP¹⁰ and calls for the establishment of a defence agency "to identify operational requirements (...) strengthen the industrial and technological base of the defence sector (...) and assist the Council of Ministers in evaluating the improvement of military capabilities".¹¹ It also envisages a deepening of cooperation in the field of internal security. The draft constitution calls for a "solidarity clause" for joint action "if a member state is the victim of terrorist attack or natural man-made disaster".¹² Even more important, it includes a *de facto* mutual defence clause, calling for *closer cooperation*: if one member state participating in such cooperation "is the victim of armed aggression on its territory, the other Member States shall have towards it an obligation of aid and assistance by all means in their power in accordance with Article 51 of the United Nations Charter".¹³ Closer cooperation is open to all willing member states (a list of those states will be set out in a declaration).¹⁴ Finally, the very idea of core groups is elaborated in the article covering *permanent structured* cooperation. Permanent structured cooperation applies only to those member states "...which declare their willingness to go faster and further in developing the Union's capability to undertake crisis management actions and operations, including the most demanding of these tasks".¹⁵ The "most demanding ... tasks" refer to the reformulated Petersberg tasks, which now include all envisioned military operations, including the fight against terrorism.¹⁶ In practice, battle groups and the EU Rapid Reaction Force will be the instruments that will give substance to permanent structured cooperation.

The draft Constitution is bound to lead to new forms of cooperation and to make the Union more operational. This would have important implications for NATO – EU cooperation. On the one hand, improved military capabilities and the willingness to use them for the most demanding missions could strengthen Europe's defences. On the other hand, if this initiative creates a

⁸ Draft Treaty Establishing a Constitution for Europe, Brussels 18 July 2003

⁹ *Ibid.*, Part I, Title III, Article 11/4.

¹⁰ *Ibid.*, Part I, Title IV, Article 27.1.

¹¹ *Ibid.*, Part I, Title V, Chapter II, Article 40/3.

¹² *Ibid.*, Part I, Title V, Chapter II, Article 42/1.

¹³ Amended text on Article-213, 214 and I-49(7) and Protocol on structured cooperation implementing Articles 1-40(6) and III-213 of the Constitution, Brussels, 2 December 2003.

¹⁴ Draft Constitution, Part III, Section 1, Title V, Chapter II, Article III-214.

¹⁵ Amended text.

¹⁶ Draft Constitution, Part III, Section 1, Title V, Chapter II, Article III-210.

separate military structure outside NATO, the Alliance could be undermined.

Nevertheless, the desire to form core groups is unrelenting and a logical consequence of the EU's enlargement to ten new members, all with the right to veto decisions. For example, in May and October 2003, the ministers of the interior of France, Germany, the United Kingdom, Italy and Spain gathered in La Baule, France to discuss terrorism and immigration. This was driven by the desire to speed up decision-making and to develop new proposals.

A strategic partnership

The US should not oppose, but welcome these developments. To save NATO, both Europeans and Americans will have to strive for a strategic partnership – based on a strategic vision of equality and credible European military capabilities. If they fail to do so, Europe and the US will drift further apart. Europe will be marginalised and run the risk of getting entangled in a security competition among its member states. This would jeopardise the EU integration process and have grave political and economic consequences. Indeed, stability and prosperity within the Euro-region are based on trust; a security competition would undermine it even more seriously than has France's and Germany's rejection of the conditions of the Stability Pact.¹⁷

Transatlantic dialogue with the aim of creating a strategic partnership is well served by Javier Solana's strategy paper, "A Secure Europe in a Better World".¹⁸ It translates what the EU stands for into foreign and security policy objectives. First it shows there is common ground regarding security threats: international terrorism, the proliferation of weapons of mass destruction and to a lesser extent failed states and international crime. There is even agreement that some form of early action could be needed to deal with them. The first draft of the Solana Paper argued that "pre-emptive engagement can avoid more serious problems".¹⁹ The final version no longer contained the controversial term "pre-emption", but it still argued that the Union needs "to develop a strategic culture that fosters early, rapid, and when necessary,

¹⁷ On 25 November 2003, France and Germany won a vote to suspend the rules that govern the single currency, a move that was vehemently opposed by The Netherlands, Spain, Austria and Finland. See T. Fuller, "Euro Rules Relaxed for Germany and France", *International Herald Tribune*, 25 November 2003.

¹⁸ J. Solana, "A Secure Europe in a Better World", European Council, Thessaloniki, 20 June 2003, also referred to as the Solana Paper. The final version was adopted by the Heads of State and Government at the European Council on 12 December 2003.

¹⁹ See first draft.

robust intervention".²⁰

The difference, however, is the balance between military and non-military means and the role international institutions play in crisis management. Where the United States emphasises military means and unilateral action when vital interests are threatened, the European Security Strategy argues that none of the new threats is purely military; and that they cannot be tackled by purely military means. In contrast to American thinking, military instruments are not the only solution, but rather help create the conditions for promoting stability through economic reconstruction and civilian crisis management. In addition, the strategy underlines that in a world of global threats security and prosperity depend on an effective multilateral system. Indeed, it considers a rule-based international order as a prerequisite to be able to deal with proliferation of WMD and terrorism.

In short, while the EU and the United States do not differ fundamentally on global threats and the need to create a stable and peaceful world order, they do disagree about how this should be pursued. While the United States emphasises military solutions, Europe emphasises conflict management through multinational organisations. This fundamental difference should be the subject of a new transatlantic debate. The new debate should also take into account that winning wars is easier than winning the peace and that both require different strategies based on a clear distinction between war fighting, stabilisation and reconstruction.

Conclusion

The Iraq crisis accelerated, rather than undermined, the development of CFSP and ESDP. At the same time it was acknowledged that only through a strategic partnership can Europe and the United States develop complementary capabilities and approaches to crisis management and the war on terrorism. Moreover, if Washington wants more defence per European expenditure as well as transformed European forces it should vigorously support the development of credible European military capabilities. These are also a prerequisite for a credible NATO. Yet only European defence integration can overcome Europe's inefficient defence spending. Thus the US should accept the following paradox: the survival of NATO depends on credible European capabilities which can only be created if Washington supports the development of a European defence. At the same time, Washington must accept that creating a European capacity for autonomous action gives the EU more influence in the US' policymaking process. But that's what strategic partnership is all about.

²⁰ See final version.