Do European Union Defense Initiatives Threaten NATO?

by Kori N. Schake

Building a capacity for “the eventual framing of a common defense policy which might in time lead to common defense” has been a major European Union (EU) preoccupation since the Maastricht Treaty in 1991. The Amsterdam Treaty in 1997 defined the area for defense coordination as “humanitarian and rescue tasks, peacekeeping tasks, and tasks of combat forces in crisis management, including peacemaking” (known as the Petersburg Tasks). The project gained momentum after Prime Minister Tony Blair of Great Britain and President Jacques Chirac of France agreed at St. Malo in 1998 that “the Union must have the capacity for autonomous action, backed up by credible military forces, the means to decide to use them and a readiness to do so, in order to respond to international crises.” The St. Malo summit agreement committed the two leading military powers in Europe to building capabilities and institutional structures for a common defense.

Britain’s acceptance of an EU defense role facilitated the consolidation of effort between the European Union and Western European Union. By gaining an agreement that European defense efforts will remain intergovernmental—that is, coordinated among members in the Council of Ministers rather than the supranational European Commission—Britain was assured that it could prevent the European Union from making decisions over British objections. The United States also benefited from the St. Malo approach because it kept decisions (which require unanimous approval by member states) at a level that allows considerable U.S. influence. That agreement preserves America’s ability to work bilaterally as well as multilaterally to ensure that EU choices are consistent with U.S. national interests.

An enormous amount of the work needed to translate the St. Malo agreement into practice has been done in the European Union and in national planning staffs to advance the prospects for EU defense policy and capabilities. However, more work has been done to create an organizational structure than to improve forces to carry out the mandate.

Key Points

European Security and Defense Policy (ESDP) is now the main item on Europe’s security agenda because of a focus on establishing a crisis management force capable of acting independently of the North Atlantic Treaty Organization (NATO).

Although transatlantic policies will be colored by issues such as the Kyoto treaty, missile defenses, and relations with Russia, ESDP is likely to dominate defense debates as the European Union (EU) tries to meet the Helsinki Headline Goal of developing a corps-sized expeditionary force that can deploy military forces capable of ensuring diverse tasks and establish new political and military structures that will enable the EU to guide and direct such operations.

To meet the Helsinki Goal, the European Union must surmount three problems: ensuring sufficient forces, building confidence in the quality of their performance, and finding substitutes for critical NATO assets. The approaches that EU members take to these tasks may indicate how serious they are about achieving the goal in fact as well as in name.

As the Bush administration develops policies on transatlantic relations, it should move away from efforts to restrict EU development. The United States will benefit if EU states are more able and, even more importantly, willing to take responsibility for solving security problems without relying on U.S. involvement. The extent of European dependence on the United States poses a greater threat to U.S. interests than what might develop if the European Union becomes a more independent actor in defense policy.

New Structures

The European Union has agreed on a decision-making process and created the necessary supporting staffs. It established the post of High Representative for Common Foreign and Security Policy to advise the council on defense issues and gave the job to Javier Solana, former Secretary General of the North Atlantic Treaty Organization (NATO). Solana has two staffs reporting to him: a Policy Unit and Military Staff. The Policy Unit consists of diplomats assigned by their governments (thus who are not EU civil servants) to advise member states on potential crises and develop initiatives to improve crisis management capabilities. The Policy Unit has identified areas in which the European Union can make a contribution to security (for example, creating a civilian police force for crises such as the Balkans to reduce the need for military forces to carry out police tasks). The Military Staff under German officer General Rainer Schuwrth consists of about 80 planners who advise the EU leaders on development of military capabilities, coordinate intelligence assessments, and plan options for use of force in potential crises.
Before any decision is made about whether NATO, the European Union, or any nation would intervene in a crisis, the Policy Unit and Military Staff would report to the High Representative and propose options for political, economic, and military intervention to affect its course.

- EU and NATO members will consult and make a policy decision on which institution should take the lead in managing the crisis.
- If it is decided that the European Union will lead with NATO support, the Deputy Supreme Allied Commander Europe (DSACEUR) will direct military planning efforts inside Supreme Headquarters Allied Powers Europe and other NATO staffs.
- DSACEUR will report both to NATO and EU channels to political leaders on detailed military options and NATO or non-EU military capabilities required and will receive guidance throughout the operation.
- To preserve unity of command, DSACEUR will lead without NATO support, the EU Council will designate a lead nation to develop plans and provide the core for command and control of the multinational operation.

**Force Levels**

At the Helsinki summit in 1999, the European Union committed itself to creating a force of 60,000 troops (roughly a corps) that could be deployed within 60 days of a decision by EU members and that could be sustained for at least 1 year. The aim is to achieve this objective by 2003. The so-called Helsinki Headline Goal does not specify where this force would be used, although it is generally assumed to mean in and around Europe, including the Balkans, North Africa, or the Caucasus—but there is no agreement in the European Union about where the force might or could be deployed.

Three important initial stages of work have been completed in the 18 months since this Headline Goal was established. The first stage was inventorying EU forces. The next stage was identifying the capabilities needed to deploy and sustain the corps-sized force; this inventory of capabilities is designated the “ideal force.” The third was negotiating with member states on the contributions to the force. Because the Headline Goal seems to be a modest standard for nations which have a combined GDP roughly as large as that of the United States and nearly two million troops

Representative Solana’s staff was not fully in place, teams of national delegations worked on cataloging existing forces, identifying requirements, and coordinating potential national contributions. However, the Policy Unit and Military Staff are now working with defense staffs in national capitals. At the EU Capabilities Commitment Conference held in November 2000, members pledged 100,000 troops to meet the Helsinki Headline Goal.

Significant progress must still be achieved before the 2003 deadline. EU and national defense staffs are addressing two shortfalls: first, a gap between what has been committed by members and the requirements to deploy and sustain military capabilities; and, second, a gap between declared capabilities and performance that commanders can expect from those forces in terms of training, deployability, and equipment interoperability. Closing these gaps will require greater candor and discipline than Europeans (or Americans) have displayed in NATO military planning where gaps have been longstanding, tolerated, and provided political cover by private consultations without publicly embarrassing members that fail to meet force levels.

**Meeting the Goal**

The political impetus of European governments and the commitment that they already have made almost guarantee meeting the Helsinki Headline Goal. Whether they achieve it in a meaningful way, rather than simply declaring that it has been met, remains to be seen. The Headline Goal seems to be a modest standard for nations which have a combined gross domestic product (GDP) roughly as large as that of the United States and nearly two million troops. EU members spend about $150 billion per year on defense, about 40 percent of the U.S. defense budget. Although most militaries in Europe are not optimally structured for power projection, the European Union contains armed forces of outstanding quality. Establishing the capability to deploy 60,000 troops on 60-day notice and sustain them for at least 365 days should not be demanding for wealthy and militarily capable states.

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Defense spending varies widely: Britain and France each spend about 3 percent of GDP, similar to the level of the United States, while Germany is closer to 1.5 percent. In addition to the issue of burdensharing among EU members, most are undergoing programs to make their forces largely voluntary and more expeditionary, and few have fully funded that transition. The European initiative also has helped defense ministries in preventing their governments from continually reducing budgets—in fact, defense spending by most member states except Germany appears to have stabilized. The International Institute for Strategic Studies calculates that nearly all members have decreased spending if measured in constant dollars.

Some European defense experts want to see a system that would increase public accountability for overall spending and allocating specific categories such as research and development. However, EU member states do not seem interested in a system that would bind them more tightly than NATO planning. Substantially raising spending on defense is probably not feasible at the time when Europe is safer and more secure than in the previous 50 years, especially for capabilities that appear elitist to many of its citizens. European governments are unwilling to invest the political capital in changing public opinion to buy a way out of dependence on U.S. military capabilities. The relevant policy question is what the European Union can do within the limits of existing defense spending. EU governments may be tempted to downgrade requirements and declare victory as 2003 approaches. Most analysts are focusing on levels of defense spending as the key indicator of EU seriousness. Although important, spending might not be the critical index because member states are unlikely to raise budgets substantially, and European capabilities could be improved greatly even without increasing spending.

The indicator that might provide the best measure of progress toward meeting the Headline Goal is whether the European Union finds credible ways to deploy and sustain a force within its resource constraints. Member states, both individually and collectively, spend enormous amounts on such prestige projects as satellite procurement and development of the Future Large Aircraft, and they are considering initiating a European space program. Although these undertakings are worthy, what the European Union needs most are quick, practical, and cost-effective ways of transforming capable forces into effective expeditionary forces. Meeting requirements with existing resources would indicate that military planners are succeeding in improving capabilities to the level where EU member states could conduct corps-sized expeditionary operations independently of both NATO and U.S. support.

Several EU members, particularly the Netherlands, Denmark, and Germany, are developing creative initiatives for cross-funding procurement and mission requirements. The Dutch air force has arranged to refuel Danish fighters, and the Netherlands is retrofitting German airlift in return for drawing rights on that asset. These kinds of collaborative efforts among Europeans are likely to be the best prospect for wringing more expeditionary capability out of their military forces.

After Helsinki

Three practical problems remain for the European Union to meet the Helsinki Headline Goal in a meaningful way: ensuring sufficient forces, building confidence in the quality of their performance, and finding substitutes for critical NATO assets.

Sustaining a force of 60,000 troops for a year or more will require substantially more forces than the roughly 100,000 currently committed by EU states. Military planners generally consider the requirement for sustainment to be three times the deployed force, which leaves a gap of about 80,000 additional forces that must still be committed to meet the goal by 2003. Given the difficulty of securing national commitments for the levels declared at the Capabilities Commitment Conference and the scarcity of troops trained and equipped for expeditionary deployment in EU militaries, meeting the numerical standard will pose a serious challenge for the European Union.

Also, national and EU military planners are privately concerned about the suitability and training of some of the forces pledged for the missions. The question is not about the professionalism of soldiers in the European Union—they are some of the world’s best—but about whether troops are adequately trained for the new missions and whether they have the necessary equipment for the operational

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**New Structures**

At the December 2000 European Council in Nice, the following new permanent political and military bodies were established within the council:

- **Standing Political and Security Committee (PSC)** is the linchpin of the European security and defense policy (ESDP) and of the common foreign and security policy (CFSP). The PSC has a central role to play in the definition of and follow-up to the EU response to a crisis.

- **European Union Military Committee (EUMC)** is composed of the Chiefs of Defense (CHODs) represented by their military representatives (MILREPs). The EUMC meets at the level of CHODs as necessary. This committee gives military advice and makes recommendations to the PSC, as well as providing military direction to the European Union Military Staff.

- **European Union Military Staff (EUMS)** is the source of EU military expertise. It assures the link between the EUMC and the military resources available to the EU and provides military expertise to EU bodies as directed by the EUMC. It performs “early warning, situation assessment, and strategic planning for the Petersburg tasks including identification of European national and multinational forces” and implementation of policies and decisions as directed by the EUMC. The EUMS also contributes to the process of elaboration, assessment, and review of the capability goals; and it monitors, assesses, and makes recommendations regarding the forces and capabilities made available to the EU by the member states on training, exercises, and interoperability.
**Force Pledges**

At the November 2000 EU Capabilities Commitment Conference, member states committed to 100,000 troops, 400 aircraft, and 100 ships, including the following numbers of ground forces:

<table>
<thead>
<tr>
<th>Country</th>
<th>Troops</th>
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<tbody>
<tr>
<td>Germany</td>
<td>13,500</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>12,500</td>
</tr>
<tr>
<td>France</td>
<td>12,000</td>
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<tr>
<td>Italy</td>
<td>6,000</td>
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<tr>
<td>Spain</td>
<td>6,000</td>
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<tr>
<td>Netherlands</td>
<td>5,000</td>
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<tr>
<td>Greece</td>
<td>3,500</td>
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<tr>
<td>Austria</td>
<td>2,000</td>
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<tr>
<td>Finland</td>
<td>2,000</td>
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<tr>
<td>Sweden</td>
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<td>Belgium</td>
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<td>Ireland</td>
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<tr>
<td>Portugal</td>
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<td>Luxembourg</td>
<td>100</td>
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Environment. To achieve greater confidence in the quality of forces pledged by nations, the European Union will need to establish a measure of merit and evaluate their performance against the standard. NATO does this already in the Integrated Military Structure. The European Union will need either to rely on NATO evaluations and find a way to extend NATO standards and inspections to nonintegrated EU members (France, Sweden, Finland, Ireland, and Austria) or to develop and carry out its own evaluations. Confidence in the quality of troops is a basic building block for coalition military operations, but the high politics of EU–NATO relations are likely to impede progress in ensuring that commanders have the requisite knowledge about forces under their command.

An EU force operating independently of NATO and U.S. support also will be severely impaired in some critical ways, most of which are related to command, control, communications, computers, intelligence, surveillance, and reconnaissance (C4ISR), on which American and European militaries rely. Secure communications links for passing orders and information depend fundamentally on the U.S. national command and control spine; the European Union will need to figure out how to transmit information reliably and secretly among its headquarters and soldiers. Even states that have superb intelligence collection and assessment but share little among themselves and do not develop common assessments. In NATO, intelligence tends to be shared in national spokes converging on a U.S. hub rather than among EU states. That system will need to change if the European Union is to operate without U.S. support.

In command and control, as well as intelligence, the European Union will need to develop ways of managing without the resources that the U.S. Armed Forces bring to NATO. Replicating American systems or approaches for such critical functions would be very costly. Although member states could advocate radically redistributing spending to build U.S.-style C4ISR systems, such an effort is unlikely. The question for the European Union is whether they can find less expensive but militarily adequate and sustainable ways of performing the same tasks.

**EU efforts that divert too much attention from the common work of NATO would diminish support for U.S. engagement in Europe and make military cooperation more difficult**

**U.S. Concerns**

The central concern in Washington about EU defense efforts is the potential for damage to NATO. EU efforts that divert too much attention from the common work of NATO would diminish support for U.S. engagement in Europe and make military cooperation more difficult. Some Europeans, especially those from the French Quay d’Orsay and the European Commission, give the impression that the European Union is being emancipated from overbearing U.S. influence in NATO and building a European army that will supplant U.S. casualty-averse strategies with a European way of war. Such talk not only is unhelpful, but it also is untrue. The European Union is decades away from being able to supplant U.S. military power, and not a single EU government is aiming to do so.

The overwhelming majority of EU states, including France, are not looking to push the United States out of Europe or undermine NATO. But they are urgently seeking ways to work together more effectively if the United States chooses not to become involved in crises that their governments feel a need to manage. The painful lessons of how little the European states achieved in Bosnia before Washington agreed to intervene and how little they could have done during the Kosovo crisis without U.S. engagement are the most important drivers of EU defense initiatives. Americans may be uncomfortable with their European allies working on defense issues outside NATO, but European allies have recent experience with the United States withholding NATO involvement because it did not want to intervene. Washington must appreciate that its European allies are struggling to take responsibility for managing security problems—an effort that deserves respect, but also one that must be watched carefully to ensure that EU practices do not impede continued cooperation with the United States in NATO.

**European Caucus?** The idea of a caucus of member states within NATO could be detrimental both to the Alliance and European Security and Defense Policy (ESDP). It would position the United States, Turkey, Norway, Canada, Poland, Hungary, the Czech Republic, and possibly Denmark on one side of the table to review a position agreed upon by the European Union. Such division is likely to embolden objections and make non-EU members feel they are being pulled into policies that they had little influence in shaping. A caucus also is likely to make the United States defend even more ardently the positions of non-EU NATO states to ensure that they get serious consideration by the European Union. A caucus could make consensus building more difficult if states were unwilling to compromise on elements that represent hard-won EU internal consensus. Finally, it could slow the pace of decisions if Alliance consultations were prevented until EU states agreed to a position to present in NATO councils.
The United States and other non-EU members have experienced the challenge of dealing with such an EU caucus since 1993 in the Organization for Security and Cooperation in Europe.

These potential drawbacks represent legitimate concerns but give the impression that Washington is trying to keep Europe unorganized and thus more easily corralled into supporting its position. Whatever the drawbacks of a caucus for NATO, the resentment created against the United States by this position is more detrimental to our national interests than a caucus would be. America cannot prevent EU states from meeting independently. The United States can veto all NATO decisions (as could any other member), which ensures that the European Union could not initiate action that the United States would be obligated to support. Moreover, a caucus would place responsibility for building NATO consensus with EU states rather than the United States.

Diverging Military Policies. The most pressing transatlantic defense issue is the looming divergence of U.S. and European militaries resulting from technological advances and organizational changes in the U.S. military. Simply put, the American armed forces are becoming irrevocably different from those of all other nations.

The United States spends 85 percent of the total world investment in military research and development and buys large numbers of weapon systems that capitalize on the innovations. In the past 10 years, the U.S. ability to see the battlefield more precisely from greater distances, transmit information securely to forces more widely dispersed, and acquire targets more precisely has increased. Whether this incorporation of advanced technologies produces a revolution in military affairs of the magnitude of the invention of the longbow or the development of the blitzkrieg can be debated, but it is unquestionably changing American forces. The transition has been occurring so long that it is beginning to affect how U.S. troops organize, train for, and think about warfare. The Navy network centric warfare, the Army experiment with breaking up tank functions, and the rise of Joint Forces Command are only three examples of how change that was made possible by advanced weapons is now affecting doctrine. The change appears to be accelerating in U.S. thinking and force structuring.

European allies of the United States are not on the same path of military innovation. They spend much less on research and development, buy fewer weapons, and favor national companies (as the United States also does) when purchasing their weaponry. As a result, they are developing fewer innovations and experiencing less change. The divergence in high-end capabilities was apparent in the Kosovo air campaign, in which U.S. forces had to conduct more than 80 percent of the intelligence collection and strike sorties.

ESDP is not responsible for the divergence among NATO militaries, but it could aggravate existing problems among them

This is not to say that Europeans are failing to do their fair share; Europeans have committed more than 80 percent of the ground forces that have been deployed in Kosovo and are also bearing more than 80 percent of the reconstruction and assistance costs. However, the divergence in capabilities highlights the different emphases in priorities for military forces. The NATO Defense Capabilities Initiative (DCI), designed to identify and fund European capabilities of the kind seen in U.S. forces in Kosovo, has not succeeded particularly well: less than half of the force levels identified in DCI have been funded, and there is little prospect of improvement despite pressure from the NATO Secretary General.

ESDP is not responsible for the divergence among NATO militaries, but it could aggravate existing problems among them. Although the United States is concentrating on high-technology improvements to joint warfighting at the top of the conflict spectrum and eschewing peacekeeping, the Helsinki Headline Goal grounds European efforts at the lower-tech, lower-intensity end of the conflict spectrum. Many U.S. policymakers are concerned that the European Union is perfecting a peacekeeping force that will reduce the warfighting capacity of EU militaries. Europeans counter that they have to begin somewhere in building better forces, and it would be both militarily impractical and politically more offensive to the United States for them to start with the most demanding military tasks.

No simple solution exists to the problem of divergence of U.S. and European militaries. Differences have always existed in the proficiency of NATO forces, as have divisions of labor in assigning missions that optimize the contributions of national forces. Maintaining interoperability is a challenging job that will become increasingly so as U.S. forces continue to adapt at a much faster rate than others. The United States wants and needs European militaries that contribute to the leading edge of warfighting. Interoperability is too important for U.S. national interests to be a problem left for Europeans to solve. If Washington wants allies for demanding military coalitions, then it needs to keep generating ideas and including Europeans in its developments to ensure that they can remain interoperable and make meaningful contributions. Interoperability with U.S. forces is not simply Europe’s problem. Perhaps the Alliance should be spending more time considering how to provide useful niche capabilities or divisions of labor or ways to orchestrate military forces that are less interoperable but still capable of working in coalitions. However, even without the Headline Goal, maintaining interoperability would be challenging in coming years.

Duplicating NATO Assets: Damage to Alliance military functioning is also a paramount concern. The integrated NATO military command is the foundation on which the ability to fight in close coalitions is built. It provides five important functions:

- Long-term planning to give visibility into defense spending, procurement, and force structuring plans
- Operational planning to piece together national forces into coalitions for specific contingencies
- Advising political leaders about using force
- Training to agreed standards to ensure reliable knowledge on the availability and performance of forces
- Building common understanding about using force and a degree of comfort in each others’ judgments through routine interaction among militaries.

The U.S. Government and most military advisors from NATO members have concerns about duplicating planning structures and processes that exist in NATO. The concern most frequently raised is that duplication of NATO
planning will divert resources from the Alliance; this already is occurring because of the cost of building EU military staffs. However, although this use of assets may not be optimal, it should not prohibit support by Washington—if only because the United States has long had a planning staff separate from NATO in U.S. European Command.

More problematic in terms of coalitions will be managing competing approaches to military planning that are likely to emerge if the European Union seriously attempts to replicate defense and operational planning done by NATO. If EU and NATO staffs plan in different ways to utilize the same forces in managing crises, political leaders are likely to be faced with competition. Even in the unlikely event that these staffs retain a common approach, processes probably will be confusing to political leaders and delay decisions. Furthermore, the staffs are unlikely to maintain a common approach over time because EU military staffs will assume that they cannot rely on the breadth of U.S. military assets.

The problem of separate planning is thus a serious one, both politically and militarily. But it is not insurmountable. It simply requires careful and dedicated work to determine how to manage the emerging EU decision structures in ways that do not impede the ability of U.S. and European forces to work together, which they are likely to do in most cases. Military planners manage these kinds of competing demands routinely, whether the context is distributing scarce assets across different contingencies or deconflicting regional plans with drawing rights on the same forces. For NATO, the risk of duplication is probably worth running if it produces a European Union more willing and able to manage crises without relying so heavily on the United States.

Moreover, the status quo is not entirely satisfactory, from either an American or a European perspective. Many critics of developing EU defense policies overestimate the extent to which existing NATO practices are either sufficient or sustainable. For example, armaments directors have been unable in the past 8 years to agree on how to meet the top priority of ground surveillance for allied strategic commanders. The planning process is formulaic and not yet attuned to the new challenges.

Much could be changed to improve the present value of Alliance planning, and U.S. policies based on preserving the status quo merit careful and critical consideration.

The United States tends to underestimate the attraction of NATO as the vehicle for delivering American attention and military strength and how much that matters in crises. The fundamental attraction of the Alliance for Europeans is that it is the only way to ensure improving EU capabilities and fostering its willingness to take responsibility for managing crises with less reliance on the United States need not damage the Alliance.

U.S. involvement in solving their security problems. The United States can afford to be more relaxed about EU defense initiatives than it has been in the past several years.

American policy has been to encourage EU security and defense policy only within red lines constraining its development of institutions or practices. The primary concern has been that ESDP will impair the ability of the United States and its European allies to work together in NATO, a critically important concern for all parties. In fact, the demise of the Alliance would be more damaging to Europe, given the predominance of American power in the world.

However, improving EU capabilities and fostering its willingness to take responsibility for managing crises with less reliance on the United States need not damage the Alliance. The practical problems, even at the extreme of EU duplication of NATO planning or the formation of a caucus within NATO, are manageable. Europeans continue to want to handle crises in partnership with the United States—which means through NATO—whenever possible. Having to fight wars without the overwhelming political and military advantages brought by American participation is not the purpose of ESDP. But the United States will not always be interested in European crises or may have higher priority demands made on its political attention and military assets.

For the European Union to develop real competence in security and defense matters will require some changes in the comfortable patterns of transatlantic relations. These changes could make cooperation more difficult, but the status quo is equally problematic. American policy on ESDP has focused on preventing the emergence of a Europe that is too strong and assertive in the security arena, whereas the more likely—and damaging—prospect for U.S. interests is a Europe unwilling or unable to share the burden of common security interests more equitably. The United States should adopt policies that are based more confidently on American strength and that encourage more responsibility and leadership by our European allies.