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Martin Stříž Publishing Bučovice, Czech Republic www.striz.cz Do we need an EU army?

Which way for the European security and defence cooperation

- A European army is not a feasible concept at the moment and should not be raised in public discussion.
- Minilateral cooperation among EU member states is a more feasible way forward for European defence than dream about "European army".
 - Lack of interoperability and capability to invest together is the real problem of European defence, not just the amount of money spent on defence.
- Treaty restrictions and sovereignty concerns prevent the EU from taking a bolder and more revolutionary step forward in common defence policy.

Policy Paper

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Introduction

In 2015 the debate about a "European army" re-surfaced in the European public sphere. First, the Commission's President Jean-Claude Juncker praised the idea as leading to more intensive cooperation between EU member states and savings in defence procurement. According to Juncker, it would "show to the world that there would never be a war between EU countries again" and it would show that "we mean it seriously with the defence of European values" (Balzli, 2015). Later, the concept of a European army won explicit support by a number of actors, including the European People's Party (EPP, 2015), and (very carefully) by the German government, which even refers to the concept in its coalition programme (CDU et al., 2013: 123). Unsurprisingly, the idea was met with fierce opposition from the United Kingdom, Central European EU member countries (Gotev et al., 2015) as well as some important actors at the EU level, such as the Socialists and Democrats group in the European Parliament (Michalopoulos, 2015). But what does the notion of the "European army" actually

mean? The aim of this policy paper is to review the current

The key message is as follows: There is no other way forward for European defence, but more cooperation among national armies in force generation and

ropean army"), and to argue for one of them.

forward for European defence, but more cooperation among national armies in force generation and defence procurement and planning. The concept of "European army" that politicians time to time raise in public is ill-defined and its use stirs the media debate, but does not bring us any closer to a Europe, which is military stronger and more capable of providing for its member states' security.

state of European defence, identify the key problems and pos-

sible ways forward (one of which surely is a creation of a "Eu-

For now, the only realistic option is voluntary minilateral cooperation among member states.

European defence past and present

The idea of a "European army" is not new. It started with the European Defence Community in early 1950s, which was supposed to create a genuine European army under supranational European command with a common budget and common institutions (Treaty Constituting the European Defence Community, 1952). The failure of the EDC caused the materialization of all military cooperation in Western Europe solely within the NATO framework. Ever since the European integration process turned back to security issues after the end of the Cold War, the European Union never had ambitions as high as could have been the case in 1950s.

Instead of a "European army" – common defence policy, the EU just created a common foreign and security policy (CFSP), in which the security cooperation was later elaborated further into the common security and defence policy (CSDP).

While the Treaty on European Union never mentions a "European army", it does enable the EU to create policies on "all questions relating to Union's security, including the progressive framing of a common defence policy that might lead to a common defence" (Art. 24(1) TEU).

The "common defence" requires a unanimous decision by the European Council to be established (Art. 42(2) TEU), but

the Treaty is not very helpful in suggesting what exactly such "common defence" should entail. The treaty just ensures that any cooperation resulting from the CSDP must be compatible with the member states' commitments in NATO, which for them "remains the foundation of their collective defence and the forum for its implementation" (Art. 42(7) TEU).

Since the launch of the CSDP in 1999, a number of initiatives have brought national militaries closer to each other and established various forms of cooperation among them that include common institutions, common procurement initiatives, creation of common forces, and, last but not least, common operations.

At the moment, the CSDP is based within a defined institutional framework that comprises of specialised Council working groups and committees, crisis management bodies within the European External Action Service, pre-identified national operational headquarters for EU military operations, as well as ready-made financial mechanism Athena to pre-finance planned operations, and specialised agencies, such as the European Defence Agency (EDA).

The EU has introduced various forms of "European" forces, such as the EU Rapid Reaction Force and the EU battle-groups, that are composed of national forces flagged for potential deployment under the EU command. And indeed, the EU has been able to conduct a number of military operations overseas, mostly in the Balkans and in sub-Saharan Africa since

2003. In addition, there is a mutual clause in the basic treaties since Lisbon Treaty entered into force (Art. 42(7) TEU). At first sight, the EU may seem to have established a working security and defence policy. There are, however, various

problems that compromise the EU as a military power. Many of them, moreover, compromise the military power of the EU member states as well.

Problems of the current setup

At the EU level, all security and defence policy is organized on an ad hoc basis. It is true that there are standing institutions that support the conduct and planning of the policy.

However the actual conduct is dependent on multiple levels of unanimous decision-making by the Council and, in addition, unilateral readiness of individual member states to participate in the specific operation. As a result, the EU does not only act very slowly most of the times, because there is a need to agree on the suitability of EU action, to develop a plan of operation, and to adopt a specific mandate (cf. Mattelaer, 2008), but also depends on the member states for implementation.

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The case of the EU military operation in Chad and Central African Republic revealed that the mere fact that all member states agree in the Council on the suitability and necessity of an EU action does not mean that they automatically stand their respective forces at disposal. In this particular case, the operation was delayed by almost a year, because there were not enough national capabilities ready to be deployed (Helly, 2009).

"European" forces have always only existed on paper, but were never deployed in reality.

The Rapid Reaction Force was conceived as a catalogue of national forces, theoretically available for an EU operation, from the very beginning. The battlegroups were, in contrast, designed as new multinational units that trained together and were supposed to represent the force of first entry where a rapid reaction was needed. Although there have always been two battlegroups on standby since 2007, none of them has ever

been deployed in reality, even though there were cases when the units could have been used. The main reason always were political second thoughts by the contributing member states (or member states that were supposed to provide forces for the rotation) when the time for deployment was imminent (cf. Marchi Balossi-Restelli, 2011).

The inability to act at the EU level is, nevertheless, to a large extent just a consequence of deeper problems at the level of the member states. These problems hamper in a similar manner their performance in NATO as well as their power as nation states. They centre on several factors of internal and external political character as well as economics of the sector: size of defence budgets, efficiency of defence spending, and organisation of the defence sector, which is closely connected to the argument of national sovereignty.

First and foremost, European countries spend ever less on defence. The defence budgets have been declining since the end of the Cold War and the trend does not seem to be changing in most countries, despite the changing security situation all around Europe.

While EU-28 defence spending declined by 9 percent between 2005 and 2014, India's budget increased by 39 percent (\leqslant 38 billion in 2014), Russia's by 97 percent (\leqslant 64 billion), and China's even by 167 percent (\leqslant 163 billion) over the same period. This contrasts with the US that has managed to maintain the defence budget at approximately the same level (\leqslant 460

billion; decline by 0.4 percent) (European Political Strategy Centre, 2015: 3).

The overall spending would not be a problem, if Europeans managed to spend efficiently. This is, unfortunately, not the case. While all major powers (the US, China, and Russia) spend in a centralised manner, the EU spends in 28 separate national budgets. For example, the "European states have 89 different weapons programmes – in contrast to 27 in the US" (Menon, 2015).

As a consequence, "at a cost of half that of the US, the Europeans obtained only a tenth of the capacity" (Briani, 2013: 28). The economic costs of the non-existent European cooperation in defence procurement and R&D and of the duplications in European security and defence institutions at national level are estimated somewhere between \in 26 and \in 130 billion every year, which is more than half of total spending on defence at the higher end (Ballester, 2013).

The European Defence Agency was established to enable common procurements and investments, but has not been able to change the situation so far, lacking any power over member states' decisions. Similarly, the much-trumpeted programmes of EU's "pooling and sharing" and NATO's "smart defence" have not been able to tackle this lack of efficiency (cf. Faleg and Giovannini, 2012).

Lastly, even when the EU member states agree to launch a common operation, they struggle with interoperability. Their forces undergo different training and are guided by different strategies. They are, in short, national forces that occasionally try to cooperate.

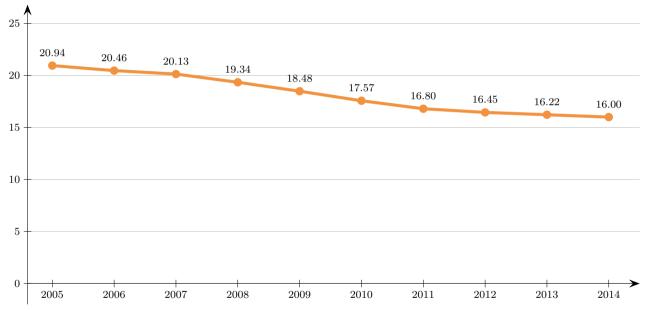
But the national character is not limited to the very decision of when and how to use the national military. It also covers the equipment, because about four fifths of all defence equipment in Europe is bought domestically (Menon, 2015). The result is scattered defence equipment market, survival of less competitive companies, higher prices per unit, and equipment that is not compatible with allies. European Commission has been trying to reform the European defence market and the ways in which the member states procure defence equipment (European Parliament and Council, 2009), but there has always been a treaty limitation. Since the very beginning of the European Parliament and Council, 2009 beginning of the European Parliament and Council beginning of the Europea

pean integration, defence procurement has been shielded from EU-wide competition by the (currently) article 346 TFEU, which states that "any member state may take such measures as it considers necessary for the protection of essential interests of its security which are connected with the production of or trade in arms, munitions and war material".

As a result, the European states' power is declining both in relative and in absolute terms.

The United States has been increasingly complaining about the burden born by the US tax payers for Europe's security (cf. Gates, 2011; Breedlove, 2015) and the European neighbourhood suffers from multiple crises that often involve military power. Apparently, Europeans need to change their approach to their defence, but the question is how.

EU share in global military expenditure (in %)



Source: Author based on SIPRI 2015: 340-341.

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Possible ways forward for European defence

There are several ways to reform the current state of European security and defence policy. Here we try to assess advantages and disadvantages of some of them.

Creation of a European army

While the creation of a European army may seem the ideal option to tackle the current problems of the European security and defence policy, there are too many aspects that make the whole idea rather problematic. An EU army would clearly allow for a lot of savings and it would ensure better interoperability of European forces subordinated to a common leadership and planning. Centralised procurements would bring about major profits from the economy of scale and lead to a restructuring of the European defence industry, which would be forced to higher competitiveness. Budget should not be a major problem, because there are established ways of sharing costs at the EU level, such as according to the GNI, that have even been used for the military operations. In addition, given the increased efficiency, European army would probably allow for higher capability and budget cuts at the same time.

Nevertheless, a European army would face too many problems and some of them seem unsurmountable for the moment. Firstly and most importantly, European armies are mostly used in crisis management overseas recently. Unlike territorial defence, crisis management is always optional, legitimised by a deliberation in the government and the parliament, which is guided by a certain foreign and security policy strategy and worldview. It is highly unclear who could legitimise operations of an EU army. As Jan Zielonka argues, it is not possible to "send soldiers possibly to their deaths on the basis of the vague political declarations the EU is able to generate at present" (Zielonka, 2015). In addition, some member states have got interests and commitments far beyond Europe and the immediate European neighbourhood that are irrelevant for most other members.

Should there be an EU army without a centralised EU foreign policy the result could be even weaker and more inefficient force than today. But a centralised EU foreign policy would surely require a major treaty revision and an openly declared loss of sovereignty and autonomy on the part of the member states.

Secondly, it is unclear whether the European army would comprise all military forces of EU member states or just their parts. The EDC provided for a centralised army in Europe, but for national armies overseas. Such division would partially solve the problem of various interests, because it would allow for the national parts of the military force to deal with issues that are not in common interest of all. Should the EU army be conceived in a similarly limited version, however, much of the

potential gains in efficiency would disappear, while the issue of legitimacy and decision-making would arise all the same.

A European army is therefore a rhetorical tool, rather than a realistic proposal. No wonder that some consider it a "red herring" that should divert attention from real problems (Menon, 2015).

Permanent Structured Cooperation

Permanent structured cooperation (PESCO) was introduced to the basic EU law by the Lisbon Treaty as a defence variant of enhanced cooperation (Art. 44 TEU). Where there is no agreement among all, a group of member states may take a step towards more integration of their defence policies and leave others behind (cf. Biscop and Coelmont, 2011). The problem so far has been the inability and unwillingness of any group of member states to launch such cooperation in practice.

PESCO meets similar problems like other forms of binding regulation of the defence sector – the unwillingness of member states to give up their sovereignty on security.

In addition, some key member states, most notably the United Kingdom, would most probably not take part in any form of PESCO. Without the UK, however, closer cooperation at the European level hardly makes any sense, because it would exclude one of the most capable member states with a major defence industry and sizeable defence budget. Such PESCO would be able to deliver some savings in defence procurement and increase in efficiency, but it would at the same time raise expectations of a qualitative change in EU defence policy on which it would never be able to deliver, risking de-legitimization of the whole idea.

Introducing binding regulations on defence procurement

Bulk of the inefficiencies in the defence sector is connected to the domestic preference and the effort to protect national industrial champions, which is possible under the current treaty framework. The European Commission already tried to limit the exemption by more precise definition of what constitutes weapons and war material, because member states had tended to interpret the Art. 346 TEU very broadly. The key inefficiencies, however, are covered by the article without any doubts—weapons systems and defence research are increasingly costly and that is where more cooperation and coordination among member states is needed (Kirkpatrick, 2004).

Yet, there are significant reasons for the national preference and protectionism. Firstly, there always is the official argument of confidentiality and reliability: the state should have a guarantee that the contractor will not reveal the confidential data on the military's equipment to a possible opponent and the state also needs to be sure that the contractor will be there during the lifetime of the weaponry to provide service, spare parts, and consumables, such as ammunition. Only domestic

company is within the state's reach and, if needed, help. Secondly, and rather more importantly for the decision-makers, domestic preference (which is often materialized in the form of offsets when there is no domestic supplier available) ensures that the large sums of money from the defence budget provide for domestic jobs. Restructuring of the defence market, which would inevitably follow any legally binding liberalisation of defence procurement, would cause social problems for countries that host the less efficient industries.

As a result, the treaty exemption is there to stay and so is the member states' effort to protect their domestic industries through direct contracts or offsets, despite the overall inefficiency that this system is causing.

Minilateral Cooperation

What remains as a possible way forward is a voluntary cooperation among some member states on a more regular or ad hoc basis. Some examples have already materialized or have been planned, such as the cooperation among North European countries (NORDEFCO), between Belgium and the Netherlands, among Visegrád countries, or between France and the UK (the Lancaster House agreement) (cf. Pertusot, 2015). The European Defence Agency has identified and conducted various projects on which interested member states can participate case by case (cf. EDA, 2015).

There are some undisputable advantages of the voluntary minilateral cooperation. First of all, it does not encroach on member states' sovereignty. All participants need to take a decision to enter the specific form of cooperation and it does not commit them to any further action. Where the undertaking includes common procurement or development, each member state decides how much they want to order and buy and in which form. Such cooperation brings about some gains on efficiency and enables saving. Besides, it is fully compatible with the current text of the EU treaties, as it usually happens outside the EU legal framework.

At the same time, this type of cooperation is administratively very demanding, because it relies on specific international agreements every time. The savings and gains in efficiency are limited to the single area or product and the endeavour may easily get bogged down in disagreements over final products and discrepancies of national needs, which was the case in the development of Eurofighter jets for example (Heinrich, 2015). On top of it, common procurement by independent militaries and states are difficult to organise due to asynchronous procurement cycles – individual countries need the products and have money for payments at different moments in time. As the life cycles of weaponry are very long, sometimes spanning over decades, and prices very high, no one can afford to write off working equipment prematurely.

Policy recommendations

There are strong political and economic incentives to launch a more ambitious cooperation on defence in the EU.

Any major development, however, including the creation of a European army, is doomed to face equally strong political and economic incentives and to plough into legal restrictions imposed by the EU treaties. Member states are not ready to give up any parts of their sovereignty openly, because their leaders would face wrath of populists that have already achieved major gains in almost all European countries.

The truth may be that no European country is truly sovereign any longer, because none of them is able to provide for their own security by themselves (C. Mölling quoted in Dempsey, 2015), but the political elite is unable to acknowledge this fact in public.

While not without problems itself, the minilateral cooperation is, therefore, the only realistic way forward for EU defence cooperation at the moment.

It will not bring results quickly and there is a lot of room for failure. In particular, minilateral cooperation takes places in an uncoordinated manner in the form of a number of parallel projects. There is an urgent need to coordinate these efforts and avoid duplications that can be avoided. The role of the European Defence Agency cannot be underestimated in this respect. The gains in efficiency will be limited and as a result, defence budgets will need to be raised in order to maintain member states' capability to act. But there is no other option if European countries do not want to resign on their security and on playing a role in their neighbourhood.

Recommendations

- The EU and member states' politicians should resign on the ambition to build an EU army, because it is unfeasible and diverts political attention from more realistic scenarios of defence cooperation among EU member states.
- 2. The member states should engage in minilateral cooperation focused mainly on common procurement, but not shy away from building of common forces where possible. Particularly countries with a history of some forms of cooperation should capitalize on existing trust and seek for room for cooperation.
- 3. The member states should make more use of the European Defence Agency to coordinate and initiate such multilateral cooperation and to organize joint de-

- fence research. The EDA has already run several programmes, but many lack funds because the member states cut their budgets.
- 4. The member states should reverse the decrease in defence budgets, which became a symbol of European unwillingness to take up responsibility for their own security. Some member states have already taken this step proving that it is feasible and politically viable.
- 5. The European Commission and the member states should seek ways to abolishing the domestic preference in defence procurement incrementally with the ultimate goal of eliminating or limiting the impact of the Art. 346 TEU exemptions.

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Vignette About the Author

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Think tank – Mendel European Centre About the Project: Objectives and Mission

Foundation of Think tank – Mendel European Centre has a direct link to realisation of the European Commison project Jean Monnet Centre of Excellence at Mendel University in Brno, Czech Republic. The main objective of the think tank is to contribute to the discussion about advantages and disadvantages of membership in EU and Eurozone. Activities of the think tank also provide suggestions for futher process of deepening of integration towards fiscal and political union.

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