



INSTITUTO DE ESTUDOS ESTRATÉGICOS E INTERNACIONAIS

6th INTERNATIONAL LISBON CONFERENCE

EUROPEAN DEFENSE

AND ATLANTIC CONSENSUS

15th-17th December, 1988

**PERSPECTIVES OF THE EUROPEAN DEFENSE
COOPERATION: A SCENARIO**

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Western Europe is undergoing a new period of integration, the most important element of which was triggered by the European Single Act (ESA): the unified European Internal Market (EIM) to be formed by the end of 1992. According to the provisions of the Treaties establishing the European Community (EC), the EIM will not necessarily include the defence sector. Recently, however, the Independent European Program Group (IEPG), acting along the lines of its Vredeling Report, has suggested ways and means to enlarge the EIM to the defence sector. Meanwhile, the European industries of the defence sector are increasing their cooperations, and drawing plans for even greater integration (see for instance the recent document approved by the European aerospace industries).

The Western European Union (WEU) has not fulfilled all the promises made at the beginning of its "revival", in 1984. Its institutional reform has yet to be completed and its relationship with the Atlantic Alliance on one side and the EC on the other, is still matter of debate and dissent among its members. The WEU, however, has proved useful for the coordination of the European military presence in the Gulf, has been able to work out a good common European Platform on the basic tenets of any future common defence policy, and has been enlarged to include Portugal and Spain. Its Special Working Group has usefully integrated the views of the Foreign Affairs and Defence establishments, and could be the basis for its institutional reform. While no clear operational role has been found as yet for the WEU, there is growing speculation on the possibility of utilizing it to work out a common European policy for overseas crisis management, to analyze the problems and perspectives of a greater specialization of roles and division of tasks between its members, and to enlarge the political consultations going on through the European Political Cooperation (EPC) machinery of the EC to the military-operational field.

No clear indications can be drawn as yet from the positions taken by the various Western European governments regarding the likelihood of the establishment of a more coherent European defence cooperation, in the near future. Contradictions and ambiguities are the norm. Typically, the French position oscillates between two extremes, sometimes urging the Europeans to gang up against the risks of "structural" disarmament and of surrender to the charms of Gorbachev's "common house" song, and some other times retreating behind its hexagonal walls, reaffirming its national uniqueness, and pushing the European perspective back to the fogs of dreamworld (see for instance Mitterrand's November 1988 speech on defence).

The twin pressures coming from both superpowers, however, are combining to exert a powerful and destabilizing pressure on the present status of European security. The

US is increasingly putting forward requests for a better "burden-sharing" among allies, while stressing the elements of discrimination (vis-à-vis Europe) of its nuclear strategy. The combination of these two factors cannot but force the Europeans to confront the perspective of a necessary sharing of military and political responsibilities as well as simply a sharing of economic burdens, thus accelerating the process of obsolescence of the Atlantic Alliance. The USSR, meanwhile, is "Shanghaiing" words, ideas and programs from the European and American Left, presenting them as novel indications of its "new look" in international as well as security affairs. While words do not necessarily translate into deeds, the time factor is playing in the hands of the Kremlin: its words have immediate political effects, while its deeds will have to be judged only in the years to come. Moreover, Moscow is skillfully stressing the importance of the existing global economic and political "interdependence" at the same time in which the US is tempted to retreat behind protectionist or nationalistic walls. The contrast is striking. On the Eastern side an imaginative, relatively young and articulate leadership is confronted with an older, rather immobile and defensively oriented Western leadership, apparently unable to live up to the expectations of its own populations.

Western Europe is torn between these contradictions. There is a strong possibility, therefore, that its own future will not be decided by its volitions, and will be shaped instead by the coercive inputs originating elsewhere. The growing anti-Europeanism of some American influential circles (e.g. the "Yeutter party", particularly strong in Congress) coupled with the increasing difficulty of working out a coherent "comprehensive concept" of Nato's common defence and détente while the international security framework is continually changing shape under the impact of the policies of both superpowers, could very well force Western Europe to make dramatic choices. These developments, for instance, could favour the establishment of a kind of "Open Europe", without political or military will, interested first and foremost to the satisfaction of its immediate personal concerns (along the lines of the Italian Renaissance: not altogether too bad a period, at least in cultural respects).

Should Western Europe become a kind of "open territory", no possible common defence could survive, and our attention should shift instead to the creation, education and sustainment of a large body of skillful diplomats, able to manoeuvre all our potential foes one against the other, and to trade our gold against our security. This scenario could easily turn sour, however, not only because the temptation of the external military powers to control Western Europe directly is likely to grow with the passing of time destroying even the most carefully built diplomatic web, but even sooner, because the various European countries will become increasingly divided on

the perception of the existing threats and on the better ways to confront them (either through alliances or national rearmament). "Open Europe", therefore, equals "Fragmented Europe" and spells great troubles for the future of international stability.

Equally unlikely and troublesome is the opposite perspective of a "Fortress Europe" built around economic protectionism and military self-reliance. Economically, the EC is basically oriented toward free trade. Its "protectionism", especially in the agricultural sector, is probably more moderate than the equivalent policies hoped for by the various national constituencies. The EIM will certainly increase the internal European trade in the short term, at the expense of international trade, but this evolution is not likely to last long or have far reaching effects. The European economic model is largely dependent on the international trade, and particularly on its rate of growth. Western Europe is the most unlikely "protectionist" of all.

Militarily, a "Fortress Europe" is simply impossible. Even the very unlikely possibility of developing a common European nuclear deterrent could not efficiently and credibly confront *both* superpowers. Western Europe is no France: the French "independent" Force de Frappe can survive and exercise a credible deterrent role only if the Atlantic Alliance, with the US, continues to guarantee the conventional defence of Europe and the global military balance with the USSR. Western Europe is no China either. It has neither the geographic depth, nor the demographic masses, nor the peasant and scattered economy of its Asiatic interlocutor. The credibility of European defence cannot rest on the difficulty of fully destroying its human potential. On the contrary, European societies cannot easily withstand direct military attacks on their mainland: they are obliged to deter war by threats of equivalent, or stronger, retaliations.

The future of Western Europe, therefore, depends on a difficult balancing act, a subtle middle line, between the two extremes of the "Fortress Europe" and the "Open Europe". This institutional and political compromise has sometimes been called the "European Pillar" (that, in order to be meaningful, has to have at least a twin Pillar, and must support a bridge).

The European Pillar of the Atlantic Alliance has been the subject of many writings, for or against: it is difficult, therefore, to say something new. The attempt to build a European Pillar, companion and equal to the United States in the Atlantic Alliance, has been tried by six European countries between the years 1952 and 1954 through the establishment of the European Defence Community (EDC). After its failure, John F. Kennedy revived it in 1962 giving it its present name. The idea makes sense. A European Pillar would not aim at severing the present links between America and

Europe while trying to bring back the American role in the Alliance to its basic rationale: the guarantee of nuclear deterrence. The US would be asked to contribute to the maintenance of the overall Atlantic security, but would be less involved in keeping the conventional balance in Europe at a credible level.

Even this formulation could create some problems, however. For instance, how to guarantee the permanence of a credible coupling between the US nuclear deterrence and the conventional defence of Western Europe thus insuring the smooth working of the Allied deterrent posture as a whole? The departure of the US conventional forces presently based in Europe would clearly weaken the credibility of this posture.

That is why Western Europe is strongly tempted to do nothing. After all, the present situation gives it a good defence and an even better deterrence on the cheap, while a greater European commitment to its own defence could risk diminishing the American domestic perception of the need to remain here and accelerating the eventual departure of US troops. The Americans, however, are not of the same opinion, and the Soviets consider that even the existing modicum of European defence is not to their liking. Meanwhile, economic pressures are compressing the various European defence budgets toward the limits of "structural disarmament", requiring a greater degree of European rationalization. New threats from overseas are perceived, both in military and in economic terms, to be dealt with through a different machinery from the Atlantic one. More important, the EIM will increase the European welfare and will greatly unify the national perceptions of threat: a striking contradiction will be felt, by friends and foes alike, while confronting the establishment of a new economic superpower without equivalent military personality.

Meanwhile, however, the present Atlantic debate on burden-sharing has a double meaning. On one hand, it aims at increasing the European share of defence expenditures and responsibilities. On the other hand, it is expected to diminish the burden of US expenditures for NATO in the US Defence budget. The latter problem would not be solved by greater European defence expenditures but, on the contrary, by greater European contributions to the US expenditures, off-setting some of them and financing some others directly. Theoretically, these two choices are not incompatible but politically they are quite different. Only the first is in line with the perspective of building a European Pillar. The second is more coherent with the scenario of "Open Europe".

Will the US be satisfied by a solution providing for larger European defence budgets while requiring at the same time an identical level of US expenditures for the defence of

Europe? Moreover, greater European defence expenditures will very likely be tied to a technological and competitive growth of the European defence industries: US industries will feel threatened and discriminated against. New inter-atlantic rows will have to be expected, at least on the short and medium terms.

The Atlantic picture, moreover, is complicated by the evolution of the US strategy, and by the strains it creates among the allies: the passage from massive retaliation to flexible response has required more than twenty years of inter-allied consultations and squabbings before actually being implemented; the dawning of discriminate deterrence is reviving old suspicions.

The worst case should be taken into consideration: that is, the eventual departure of the Americans anyhow and the absence of a greater European coordination and expenditure for its own defence. Thus, the building of a European Pillar could be more a matter of necessity than of choice, for the Alliance to be able to withstand the changes in the making.

The European mood is one of uncertainty and uneasiness. The difference should be stressed, however, between the present debate on the European Pillar and those of the past, at least on the European side. Previously, the European Pillar had a strong anti-American flavour: its bulding was seen in opposition to the US dominance of the Atlantic Alliance. Now, on the contrary, this same project is conceived as a reaction to the slow erosion of the credibility of the Alliance as a whole and it includes the need to strengthen the inter-Atlantic ties and the US commitment to Allied defence and deterrence.

Are we overstating our concerns? The Atlantic Alliance has successfully managed to overcome many troubles in the past and could still survive the present ones. The pace of international transformation is accelerating, however, and different developments are coalescing to create a situation unlike those of the past. The bitter Atlantic debate on nuclear modernization, the need to work out a sensible answer to Gorbachev's openings (and to check the high expectations of public opinions), the enormous costs of a technologically advanced conventional defence of Europe, the levelling down of national defence budgets (the American one included) with the problem of choosing between conflicting priorities, the increasing importance of the out-of-area issues in shaping the relations between the US and its European allies, the fading of allied solidarity on the fringes (from Denmark to Greece), are some of the headings of the new "cahiers de doléances" adressed to the Atlantic Council, all at the same time.

The European aim is to achieve at least four goals (the so-called Harmel Two exercise):

1. More bang for a buck: to work out a better way of managing defence expenditures. The Atlantic Alliance has constantly outspent the Warsaw Pact in order to field fewer troops and fewer weapons (of a higher quality but not standardized).
2. Better operational integration and mobility, and new technological fixes, to compensate for a diminishing pool of available soldiers.
3. Long-term stability of the relationship between the US and Western Europe and confirmation of the credibility of the US extended deterrence posture in NATO.
4. Common negotiating posture in the Arms Control process.

Meanwhile, the time is running short and other problems are growing and increasing the urgency to take a common stance. Consider the most recent example of possible Atlantic troubles: a trade war between the US and the EC on weapons trade. The proposal of the EC Commission to establish a common external tariff on imports of military as well as of civilian goods is perfectly in line with the wording and the spirit of the European Community Treaties. It could be postponed or mellowed, but not utterly denied. Moreover, the Commission's proposal is apparently starting a process of greater involvement of the EC in the economic aspects of defence, taking up the leads suggested by the Vredeling Report of the IEPG and by a number of resolutions passed by the European Assembly. It is not a bolt out of the blue. In factual terms, its economic impact will be very marginal, and probably would have only a very limited effect of distortion of the international trade. It could, nevertheless, trigger a transatlantic trade war and make the matter worse as far as the burden-sharing debate is concerned, weakening the texture of the Alliance.

We should be prepared for the inevitability of some Atlantic rifts in the near future. The recent report on burden-sharing published by the Subcommittee on Burden-sharing of the US House of Representatives is full of conflictual statements. The basic tenet itself of this Report, that burden-sharing is a form of power-sharing, is a recipe for troubles. The building of a European Pillar will also require a more integrated European defence system at the economic and industrial level and will complicate the management of trade frictions and burden-sharing anyway, at least in the short-term. The same has applied to the Common Agricultural Policy (CAP) and will apply to the EIM.

These confrontations will have a worse effect on the Alliance, however, if the European part of the bargain will not be fulfilled: that is, if Western Europe will become more protectionist without actually increasing its contribution to the Western defence and

security. A greater European commitment to the Western defence would at least weaken one of the existing devils.

The European problem is a political and institutional one, but the solutions found on the institutional side will clarify the political decisions taken by the European governments. Too many European institutions are suggesting too many different roads to European defence cooperation, with a web of different and intertwined competences. Each European national government just picks its preferred choice among them, irrespective of the choices made by the others, fuelling a kind of internecine institutional war with no clear winners in sight.

Thus, the institutional problem has important negative effects in the short term, while it almost disappears during a longer term when all the various European institutions will eventually have to merge. But the short term is the decisive one, unfortunately. Many analysts and politicians will argue that no attempt should be made to build a European Pillar from the present institutional setting and that we should wait for the coming into being of a complete European political union instead. The problem is that no one seems to be able to clarify how such a momentous "Advent" could take place short of a more modest step by step progression.

On the opposite side, others will argue that the present development of a number of bi- and tri-lateral ventures between European countries (i.e. France and Germany, France and Italy, France and the United Kingdom, Italy and Germany, France, Italy and Spain, and so on) could provide the much needed impetus toward the building of a multilateral, integrated, European Pillar. True, there is no shortage of proposals: the idea of developing a European division similar to the present Franco-German brigade, to be based in Northern Germany, the expansion of the Franco-German Council on Defence and Security into an European one (still a new European institution?), the establishment of some joint European space-based capabilities for intelligence and communications, the creation of direct links between the various European crisis management centers, the organization of common naval operations between French, Italian and Spanish forces in the Western Mediterranean, a coordination between the French and British nuclear forces, are just a few of them. Some of these proposals are easier than others, and a small number of them is actually in the making: all of them could increase the efficiency of NATO defences, none of them, however, is important enough to be the starting point of a European Pillar. They will have to be drawn into a common institutional setting in order to make the necessary qualitative jump.

Ideally, the various European institutions could complement each other. There is an obvious common ground between the IEPG and the EC on industrial policy cooperation and on research and technology. The new experience of the WEU Special Working Group should be remembered here as well as the potentialities of the EPC. While the former has the advantage of utilizing both the Foreign Affairs and the Defence machineries of its European members, its major shortcoming is to be part of a rather weak and battered international organization like the WEU, with no clear future ambitions spelled out (and locked in an absurd fight over the geographic location of its Secretariat). The latter has the advantage of a clearer institutional setting and of its linkage with an international organization relatively strong and vital, with great European ambitions, but without working experience with the military and suffering from the suspicions held by the national governments against European supranational integration. An obvious compromise solution can be the utilization of the WEU system while waiting for its eventual integration in the wider EC setting. In order to make it work, however, the WEU should be strengthened and reformed (probably along the lines suggested by a recent West German proposal). In any case, moreover, we should stress the need of a *global strategic approach* to security and management of Atlantic relations, including economic and political matters, as well as military. While the revised Bruxelles Treaty of the WEU explicitly considers economic security, no economic management has ever been done through it (though the president of the EC Commission is invited at least to the Summit of the Seven). The EC alone has the authority to deal with the trade and industrial aspects of the security relationship: a further reason for going toward a merger between the EC and the WEU.

IEPG, EC, WEU, bilateral and trilateral initiatives stop short of presenting themselves as the and only frameworks able to spawn the European Pillar from the present European quagmire. The case could be made, therefore, for devising a higher forum (a kind of European Security Summit) to give overall coherence to the scattered institutional maze. This same solution was utilized in the EC case with some success, thanks to the institutionalization of the European Summits. The idea of deferring difficult decisions to the heads of government and state is no guarantee for success, however. The political differences presently masked by the institutional debate will have to be clearly spelled out and could kill any hope of more modest but real progress.

A more likely scenario would be to try to work out greater functional and operational military cooperations and integration among the European countries willing to do so, leaving open the door for the others to join in later on. The example of the European Monetary System (EMS) is a case in point. The present bilateral approach should be

beefed up, however, and transformed in a multilateral one. Ideally such a "bridging" solution should be hosted by the WEU, the European institution more used to playing "bridging" roles (having helped WG to get into NATO, the UK to maintain a foothold in Europe after the French veto, and France to get closer to NATO). The time, however, is running out.

The institutional problem is not the only one to be solved. A greater European cooperation in the military and security fields will be confronted with other difficult issues, such as the problem of devising a single European Pillar with two independent nuclear decision-makers, linked with the conservation of the present integration with the US nuclear deterrent. The same question has been confronted by the Atlantic Alliance. The problem of managing an Alliance among equals where only one country has a full and independent nuclear power is an old one, very well analyzed in the past, and has been solved in fact by a working compromise benefitting all the allies. The solution which has been found by NATO is based on the acceptance of the power differential between the US and the other allies: while politically the members of the Atlantic Alliance are equal, militarily the US is hegemonic. The European problem would be different, however. Short of "europeanizing" the British and French deterrent, the best solution might very well be to leave the problem unsolved, in the background. No hegemonic two-tier system would be acceptable to the Germans or to the Italians, leaving the French and the British to lead the European system the American way: one hegemony is more than enough especially when the others are not competitive with it. Nevertheless, some compromise could be worked out between the national independence of the French and British nuclear forces and the common management of European defence at the tactical and operational levels (especially if the French will go along with the development of the Hadès system and of their longer range ASMPs).

The likelihood of further reductions in the number of NATO's short-range tactical nuclear weapons and of other arms control agreements in the conventional and nuclear fields will once again raise the problem of how to avoid the "all or nothing" dilemma which is always threatening to reduce NATO's deterrence posture to the level of a paper tiger. This must not reach the extreme case of an actual split between two kinds of deterrence (the "nuclear" and the "conventional" one), because this would create unfillable security vacuum. But in order to salvage what can be saved, the American nuclear deterrent must be gradually "unhooked" from its role of providing tactical support for conventional allied forces in Europe. In this perspective, a case can be made for unilaterally reducing the nuclear artillery while modernizing longer range nuclear systems.

The existence of long-range European theatre nuclear forces could offer a useful opportunity to combine Europe's need for reassurance and America's decision to reduce the visibility of its nuclear presence on the continent. It might be possible, for example, to contemplate solutions such as a *European Nuclear Planning Group* (ENPG), inside the Western European Union and formally linked (but not dependent on) the Atlantic NPG, responsible for laying down the general planning and the common targeting for these (still national) forces. Further along this line, greater political and military integration could be accompanied by the creation of a joint European fund, to finance at least part of the corresponding nuclear programs. Other more ambitious formulae might include the peacetime redeployment of French nuclear forces outside its national borders, and even the creation of new double-key systems.

The European Pillar, nevertheless, will have to be built on the conventional weapons first and foremost.

In theory, Western Europe has both the manpower and the technological, industrial and financial resources to achieve parity with the Warsaw Pact, in the conventional field, through its own efforts. In practice however, the military balance is still very much in favour of the Warsaw Pact, notwithstanding the presence of important American military land, air and naval contingents in Europe.

The main points to be tackled by the Western Europeans, in order to increase their conventional contribution to the European security, are

- Increased European conventional reserves, including both manpower and weapon systems;
- Greater integration and mobility of the European forces between the various "theatres": e.g. by providing for the possible use of Italian mountain units in Bavaria, of Spanish ground forces in the Centre and in the South-East, of German air and naval forces in the Mediterranean, etc.;
- Greater weapons standardization (through the harmonization of strategic and tactical operational requirements);

A common approach could try to integrate various "operational tasks" actually performed on a national basis by the armed forces of the Western European states. This is easier for some tasks like the control of the strategic sea lanes of communication.

In the conventional field, it is possible to identify even now a number of significant tasks which are "European" in scale and which could be dealt with more efficiently at this level, as, for example:

- air and anti-missile defence;
- long-range interdiction and counter aviation;
- protection of convoys and of the sea lanes;
- monitoring of out of area crises, peace-keeping and peace-enforcing operations, anti-terrorist special interventions;
- strategic monitoring of Arms Control agreements, threat evaluation; communications, command and control.

A common industrial policy of the defence sector would be a logical consequence of a decision to integrate a number of European military missions. A greater cooperation in this field, however, can be supported credibly in the long-term only if the European defence industries will succeed in becoming competitive with the American ones. And that will be possible only if the Europeans will manage to reduce their costs and increase the pace of their innovations.

The SEA could play an important role in this direction, should the EIM be completed by 1992. One of the results of this would be the elimination of physical barriers, such as customs and internal frontiers, technical barriers, including freedom of access to public contracts, and fiscal barriers. This should go a long way towards revolutionizing areas of ministerial responsibility which govern the choice of national firms, and should increase the role of the Commission {especially in the key sectors of Research and Development, and industrial policy}. The European Economic Interest Groups should help national firms to cooperate on Europe-wide projects. At the same time it is reasonable to suppose that the Community will also have to acquire powers against monopoly, as to ensure respect for the rules on concentrations laid down by the EC Treaty. The further development of the EMS would make it easier for European companies to act as leaders of multinational cooperation schemes, so encouraging the constitution of real European consortia, responsible for carrying out joint high technology programs.

These developments will have a direct effect on the armaments markets: it would be absurd, and fly in the face of all historical trends, as well as being contrary to any industrial and financial logic, to contemplate a single "civil" European market alongside highly protected, small national "military" markets.

NATO, the Eurogroup, the IEPG and the WEU have tried their hands at the problem. Also the European Assembly has considered these problems on a number of occasions, and proposed interesting solutions, in the Klepsch Report of 1978, the Greenwood Report of 1980, the Fergusson Report of 1983, and the Spinelli Plan of 1984. Recently, the IEPG has produced the Vredeling Report recommending the enhancement of cooperation within Europe at both industrial and governmental levels, including recommendations for the rationalization of the European industrial base and for changes in Government procurement policies and practice, in cooperation with the EC.

In the end, however, no sensible European security policy can ignore the necessary relationship with the US. The building of a European Pillar goes hand in hand with other transatlantic problems like burden-sharing and the future of US military presence in Europe. The Atlantic Alliance deals with these matters daily with no other alternative in sight. Certainly, it has its shortcomings, as in the problem of coordinating out-of-area policies. Moreover, the economic dimensions of the Atlantic relationship are practically excluded from the competencies of the Alliance (even if they are theoretically included in the Treaty and receive some attention in specialized committees of the Atlantic Council). Thus, the case should be made either for enlarging the scope of the Atlantic political machinery or for strengthening and institutionalizing a new machinery of transatlantic consultations. My own preference would be for upgrading the existing framework. Some technical decisions could help to smooth and speed up the consultations: the allied political coordination could profit from stronger links between the high level crisis management centers created in each Western country. The possibility for the top decision-making bodies of the Atlantic Alliance countries to communicate directly and fully would enhance the badly needed timely consultation and coordination process, thus indirectly strengthening Western solidarity, at least at the "technical" level.

No other solution can be found for the basic problem of managing the creeping conflictuality between a growing European Pillar and the US, in the short-term, than betting on a greater understanding and better cooperation in the longer term.