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# EUROPEAN DEFENSE IN THE AGE OF AUSTERITY: MEETING THE EU LEVEL OF AMBITION

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*During the Chicago NATO Summit 2012 which was held between the 20th and the 21st of May, one of the main issues discussed was how to meet the level of defense capabilities needed in the age of austerity. Solutions proposed regarding the balance of the costs of the defense of Europe are referred to in NATO as “smart defense”, while the discussion within the EU is of “pooling” and “sharing”. The discussion is related to the level of ambition the EU has to shape global governance, the role it wants to play in the global politics and its level of contribution to the defense of its own territory, as well as its contribution to international missions and the responsibility it assumes regarding turbulence in the world.*

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**O**n the occasion of the Chicago Summit, NATO member states succeeded to adopt, a series of continuity elements of the Alliance, and to introduce new, innovative elements with the aim of achieving the NATO objectives and to accomplish the Alliance's missions. Until this summit, the defense capacity of the Alliance increased through the introduction of new technologies and capabilities by its members, and through the enlargement of the Alliance to include new members that brought added value. Also, the Alliance's defense capacity increased through the capabilities offered by NATO partners, who participated in NATO missions.

This year developments regarding the Alliance's capabilities have been in the direction of "missile defense", "smart defense", and the framework of NATO partnerships. Adoption and implementation of these directions opens the way to the identification of NATO as an actor in the future international system. A new NATO can be spoken of – more capable, more united, and stronger, with an increasing global interest and the capacity to intervene anywhere in the world where a direct threat is predicted to appear against NATO member states' territory or population.

Up until today, NATO defense policy was based on two pillars – "Nuclear Deterrence" (deterrence against the nuclear capabilities of other international actors and against any conventional attack against the Alliance) and the "Conventional Defense" (sufficient conventional capabilities in order to defend the Alliance members' territory and to conduct the convened out-of-area, crisis management, or strategic distance threat combat missions). With the conclusion of the Chicago Summit, a third pillar has been added: Missile Defense. Its aim is to protect NATO member states' territory and their citizens against (potential) ballistic missile threats. Missile Defense proves to be, through the way it is defined and developed, not only the third NATO defense and deterrence pillar, but also a "smart defense" project, towards augmenting the capabilities of the transatlantic states towards a specific threat.

Perhaps the most interesting proposal for the enhancement of the Alliance's capabilities in the context of the economic crisis and the reduced investments, especially in the European military domain, is the concept of "smart defense". The concept was introduced and supported by the NATO Secretary General and foresees the common use of capabilities through their acquisitions on the Alliance's level, through joint programs, as pooling and sharing is offered to the

member states of the EU. A total of 25 such programs have been launched and are aimed at covering NATO's need for capabilities.

The concept of “smart defense” is an elaborated one, with a solid theoretical foundation. It cognates with the concept of “smart power”, introduced by Joseph Nye Jr., after his discovery that the initial dividing formula between hard power –the power that may be applied through direct military, diplomatic, or security action– and soft power –symbolic power, attractiveness, and influence on a profoundly cultural basis– is not an accurate one.<sup>1</sup> It has been demonstrated that an actor that does not also hold the component of hard power, of deterrence and strengthened direct capacities, will gradually lose its soft elements and influence, in the light of some image alterations, through the lack of coherence, image crisis, decrease of prestige due to different internal or external events or, due to unfortunate or insufficiently explained decisions on the international level. In this regard, Joseph Nye Jr. proposed the idea of a combination of hard and soft instruments, which should be used simultaneously according to the situation. This mix has been named smart power.<sup>2</sup> Given this background and the wish to obtain the optimal combination of instruments in order to fully attain the Alliance's objectives, Secretary General Anders Fogh Rasmussen chose the formula of “smart defense”.

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The Chicago Summit Declaration mentions the “smart defense” concept in two instances. First, “smart defense” is explained in order to place it in a complementary format with the European concept of pooling and sharing in the paragraph 20 of the Declaration.<sup>3</sup> Second, paragraph 56 describes a “smart defense” case, the airspace police of the Baltic States, insured by turnover of the NATO members.

The concept of “smart defense” is not to be found, of course, in the Strategic Concept of the Alliance. It has been elaborated after the NATO Lisbon

1 Joseph S. Nye Jr., *Descifrarea Conflictelor Internaționale: Teorie și Istorie*, [Understanding International Conflicts: An Introduction to Theory and History] (București: Editura Antet, 2005).

2 Joseph S. Nye Jr., *Viitorul Puterii*, [The Future of Power] (Iași: Polirom publishing House, 2012).

3 “Chicago Summit Declaration,” *NATO Website*, 20 May 2012, [http://www.nato.int/cps/en/natolive/official\\_texts\\_87593.htm?mode=pressrelease](http://www.nato.int/cps/en/natolive/official_texts_87593.htm?mode=pressrelease)

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Summit and represents the novelty of the Chicago Summit. Instead, the concept is studied in detail in the framework of the Chicago Summit Declaration on Defense Capabilities.<sup>4</sup> This document focuses on the description of the new concept’s contribution to the development of the Alliance’s capabilities and on the relationship of the new capabilities with NATO’s sovereign member states. The “smart defense” concept’s relevance is acknowledged with regard to the changing nature of the cooperation culture in connection to the development of critical NATO capabilities. “Smart defense” can strengthen the transatlantic relationship and ensure more equitable burden sharing of the common costs.

The Chicago summit represents a shift in mentality of defense management in Europe in the age of austerity. It announces the appearance, within the Alliance, of joint capabilities, practically belonging to, and being operated by NATO itself as an organization, and not by the Member states. An example to this is the missile defense shield – for which the member states are covering the costs, whether it is flight hours and transportation, pilot training, aircraft maintenance, or military intelligence officer’s training for operations in hostile areas. The utilization of these capabilities will need to be approved by the Council. This is an innovation which marks a major turning point in the development of the Alliance and the consolidation of its cohesion, unity, and efficiency.

In Chicago, the Alliance has managed to consolidate a comprehensive partnership system, thus establishing a consecrated format of relationships with NATO partner nations within the Partnership for Peace. Including its own developed institutions and individual partnerships, the distinct partnerships with Russia, with Georgia, and with Ukraine, the Mediterranean Dialogue with states from the Middle East and Northern Africa, the Partnership with the Gulf states within the Istanbul Initiative, as well as the partnership with the so-called global actors, contributors to NATO missions – Australia, New Zealand, South Korea, Japan, etc.

<sup>4</sup> “Summit Declaration on Defense Capabilities,” *NATO Website*, 20 May 2012, [http://www.nato.int/cps/en/natolive/official\\_texts\\_87594.htm](http://www.nato.int/cps/en/natolive/official_texts_87594.htm)

Along with these instruments, NATO has developed a platform for global partnerships, a partnership hub, based foremost on the bilateral principle with third countries. The most recently established partnership is that with Mongolia. The partnerships with international organizations are another dimension – such as the strategic partnership with the EU and the partnerships with the UN and Organization for Security and Cooperation in Europe (OSCE). There are also NATO partnerships with categories of actors that are not political or military by nature, such as international humanitarian organizations, –the UN Office for the Coordination of Humanitarian Affairs (UNOCHA)– and non-governmental organizations, reflection groups, companies of diverse manufacturers, and private security and defense contractors.

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This new capability, being a global partnership hub with any type of actor, integrator of intercultural, inter-institutional dialogue, is a NATO attribute that can be found in the concept launched by the Alliance’s former Secretary General, Jaap de Hoop Scheffer, as the “comprehensive approach.”<sup>5</sup> The capability can be found in the continuity of NATO’s documents, today being fully capitalized.

The concept of comprehensive approach comes from the theory of international relations and designates two realities. First, the need for mutual support of the ceasefire process agreement, normalization, negotiation, and reconciliation. At the same time, it is possible to initiate all these processes simultaneously, once the security conditions permit it in the theater of operations, according to the Galtung conflict model.<sup>6</sup> Second, it is about cooperation between different institutions of a diverse cultural basis, which are located in the theater of operations, and the performance of all these operations and actions in the post-conflict period. This collaboration can be in the framework of the Red Cross actions, humanitarian action, post-conflict reconstruction or institutional in theater construction. The theoretical concept shapes the reality introduced by the launching of Provincial Reconstruction Teams (PRTs) in Afghanistan, and the utilization of the action model simultaneously in all directions and with all categories of actors.

5 “Active Engagement, Modern Defence,” *NATO Website*, 19 November 2010, [http://www.nato.int/cps/en/natolive/official\\_texts\\_68580.htm](http://www.nato.int/cps/en/natolive/official_texts_68580.htm)

6 Johan Galtung, *Peace by Peaceful Means: Peace and Conflict, Development and Civilization* (London: Sage, 1996).

The Chicago Summit Declaration recognizes (para. 5) the importance of the comprehensive approach, improvements to its application in governance and development, as well as reconciliation and integration.

NATO's engagement of cooperating with the other actors according to the commandments of the Lisbon Strategic Concept of stabilization and reconciliation is summarized in paragraph 18.

The Alliance's Strategic Concept refers to the comprehensive approach in paragraph 21, with regard to lessons learned in the theater of operations in the Western Balkans and Afghanistan that claim "the need of a comprehensive political, military and civil approach" for an effective management of crises. In Chicago, the concept is mentioned in paragraph 7 of the Summit Declaration on Afghanistan.<sup>7</sup> The importance of the concept and the improvements introduced to its application are recognized in the areas of governance and development and can be found in the document regarding NATO counter-terrorist policies, in the context of cooperation with international organizations such as the UN, EU, and OSCE, according to the Plan of Action for the Comprehensive Approach. The latter promotes mutual understanding of each actor involved in the global counter-terrorism effort.

### ***The Problem of Defense Investment and the "Smart Defense" Method***

The "smart defense" method is a profound formula that promotes unity and strengthens the Alliance's capabilities, but it is not a *panacea*. The method is instead oriented towards making resource spending more efficient and investing in the area of defense without bringing new resources into the process of covering the financial deficit. From this point of view, I think it is necessary to discuss the following points:

- The assumption of responsibilities for the European defense and security formula by the European member states has considerably dimmed since it was introduced 10 years ago.<sup>8</sup> However, it is only natural that the European level of ambition –to get involved in global problems, to play a global role– must fit the level of assumed responsibility. The Alliance lacks the budget allocation close to the informal engagement of two percent of the

<sup>7</sup> "Chicago Summit Declaration on Afghanistan," *NATO Website*, 21 May 2012, [http://www.nato.int/cps/en/natolive/official\\_texts\\_87595.htm](http://www.nato.int/cps/en/natolive/official_texts_87595.htm)

<sup>8</sup> Robert Kagan, "Power and Weakness," *Policy Review* (June-July 2002).

GDP, and the direction of the funds towards joint programs and niche capabilities which are mandatory in order to be present in the global reorganization of the world in turbulent periods and excessive tectonics that all of us are going through.<sup>9</sup>

- “Smart defense” offers the instruments for this perspective. The concept, being considerably more advanced than the European pooling and sharing –rather a mechanistic concept, consisting of solutions such as joint acquisition and common use of capabilities, purchased or preexisting– the joint use of instruction and training infrastructure, the development of areas afferent to new threats, joint use of existing logistical and support capabilities, common training of forces designated to participate in joint operations in NATO excellence centers, and efforts to avoid duplication.
- “Because of the economic crisis in Europe, it seems impossible to increase the defense budgets, let alone maintain them at the same level.”*
- There is the need to consolidate the transatlantic relationship, to avoid capacity duplications and NATO-EU rivalries, and to enable the resolution of the political differences between the two organizations and the establishment of engagement rules between the two actors in order to avoid mutual blockages.
  - Because of the economic crisis in Europe, it seems impossible to increase the defense budgets, let alone maintain them at the same level. This is why it is necessary to revise the level of ambition of each country and to assume a higher risk level for our citizens, and compensating this drastic increase of the risk level through joint capabilities of the Alliance, capabilities that can be provided through the Smart Defense method.
  - Another important part of “smart defense” and more capabilities at the same cost is to enforce the level and system of weapons control in the world. With this investment, the level of trust could increase, the threat

<sup>9</sup> Tod Lindberg, “Mars and Venus, Ten Years Later,” *Policy Review*, No.172 (April-May 2012).

could be reduced, and the needs for capabilities regarding old-type threats could be lowered. This would enable investments to be relocated to counter the so-called new and emerging threats. With the same funds, the level of security could increase in such a way that, tactical nuclear weapons and ballistic missiles, as well as conventional forces and weapons could be re-introduced, especially in Europe.

### *“Smart Defense” and “Not-so-Smart” Defense*

Solidarity imposes the connection of actions, armament, and technology transfers of NATO and EU member states towards third countries on one side, to be correlated to the Alliance’s policies, and the planning of the state’s defense at NATO’s borders on the other.

*“We cannot assume the solution of problems of our national defense industry in some member state at the expenses of other NATO and EU member states.”*

Today it appears that providing momentary solutions or formulas –which can be named as “confidence building”– for the sake of austerity may qualify as “not-so-smart” defense. Each capability delivery that can be used against member states, and that reflects the NATO contingency plans within different areas, reveals the need for compensation of the new imbalances with a rescheduling, and an installation and acquisition of new defense capabilities, which are shouldered by the Alliance as well.<sup>10</sup>

The tendency of exceptionalism by some member states affects the security degree of others and of NATO and EU countries as a whole. Moreover, these tendencies have direct effects on the need for capabilities, the shouldering by other states, and from their citizens of a much higher level of risk, up to the compensation of imbalances created through new joint capabilities. The Secretary General needs to assume, –under the same idea of “smart defense”– the strict regulation of technology and capability exports out of NATO in order to justify and consolidate the solidarity between Allied states and the Alliance’s perspective of accomplishing the capability formation processes, as strengthened in 2020.

<sup>10</sup> Congressional Research Service, “Recent Sales of Military Equipment and Technology by European NATO Allies to Russia,” *Memorandum to Senator Richard G. Lugar, President of the Foreign Affairs Committee of the Senate*, 26 April 2012.

We cannot assume the solution of problems of our national defense industry in some member state at the expenses of other NATO and EU member states. It seems to be the case of several EU states and we have noted public reports on capability sales to third countries in the proximity of the borders of EU and NATO like: Mistral Class Amphibious Assault Vessels (France), Army Training Centers (Germany), Lynx Light Multirole Armored Vehicles (Italy), and further negotiations for possible purchase of infantry combat and communication equipment and light armored vehicles from France as well as negotiations for Eurocopter Division of the European Aeronautic Defense. All are designed to be sold to Russia –not the capabilities themselves but also the technology– to be used for producing new modern capabilities.

An evaluation of the arms sales as well as capability and technological transfers should be made inside a mechanism of political consultations. The possible consequences of this transfer of modern capabilities and technologies to the security of EU and NATO member states should be evaluated. Due to those transfers that seem to solve the economic problem of one country, they could imply higher costs for re-planning and acquiring capabilities to counterbalance the new military situation once again.

Contrary arguments which claim that those transfers could develop strategic partnerships with third countries, that they do not pose military threats to NATO, or that those transfers do not alter the regional security dynamics, should all be considered. However, when a country that has made these purchases has engaged in a war in its neighborhood, still regards NATO as its main enemy in all its documents, has begun a general modernization of its military forces, and increases its presence in other countries without their consent or any commitment in other framework, this poses an important problem that has to be addressed for the sake of solidarity.