

Opinion

Europe in a 'NATO light' world

Building affordable and credible defense for the EU

Jan Kallberg and Adam B. Lowther

For the European Union and its member nations, it is time to give depth to discussions of Europe's long term strategic interests—moving beyond nascent agreements like the *European Security Strategy (2008)*—developing an operationally viable approach to defending members in a world where the United States is no longer a military hegemon.

From an outsider's perspective, the Common Security and Defense Policy and the efforts of the European Defense Agency are insufficient to provide Europe with the defense it will require in coming decades. While the European Union—particularly the members of the European Monetary Union—struggle to solve prolonged fiscal challenges, viable European security alternatives to an American-dominated security architecture are conspicuously absent from the documents and discussions that are coming from the European Council and at a time when the United States is engaged in an Asia-Pacific pivot. This is not to say that no thought has been given to defense issues. The EU has a bevy of policies, strategies, and statements relating to foreign and defense policy, but they are woefully inadequate—particularly in the face of a challenge from a great power or superpower. Both the European Council and European Parliament would be wise to give greater depth to concrete actions that address a range of tough questions regarding the future of European security. These questions include: how can Europe defend itself in a post-NATO or 'NATO light' world? With what type of overarching military organization might the European Union go to war? More fundamentally, might EU members find themselves in 'self help' circumstances should war come to them?

The lip service many countries give to European unity is not backed by credible action. This has led to and encouraged—even within NATO—significant inefficiencies in defense acquisition and strategic planning. EU member-nations have to address these specific challenges before an efficient and effective approach to continental defense is possible. The lack of a credible European-led defense framework is a deterrence hazard because as long as there is confusion about the EU's capabilities and political strengths it is an inviting target for adversarial nations or set of nations.

Undeniably, the geopolitical landscape has changed dramatically since the euphoric days following the Soviet Union's demise. As the past two decades and current defense planning demonstrate, the United States is in a long-term process of withdrawing units and capabilities from Europe. In 2012, the rise of China gave the Obama administration reason to re-position assets to either the Asia-Pacific or the continental United States. However, the American re-alignment is also driven by fiscal realities.

Obstacles to common EU defense

While we argue that it is time for EU member-nations to contemplate a European security framework that will either see the United States play a limited role in European defense, or no role at all, there are some tangible reasons why this has yet to happen in any meaningful way. First, a high degree of military integration will erode each state's ability to pursue an independent foreign policy. This is a challenge because even after more than five decades of European integration Thucydides' "fear, honor, and interest" continue to drive European nations apart. As public debates within the European Parliament illustrate, member-nations have a wide range of views as to what the European Union represents, what purpose it serves, and those powers it should exercise. Over the last two years significant disagreements have developed between the EU's more prosperous countries and those that are debt laden. The Franco-German approach to the European debt crisis, which called for austerity as a condition of financial support, undermined prospects for further integration—including in the area of defense and foreign policy. While German austerity requirements may have been justified, they served to reinforce concerns that Germany, and to a lesser degree France, will dominate a more cohesive European Union—a concern that breeds deep reluctance regarding further integration.

Often understandably, member-nations put their own interests ahead of those of the broader Union. As noted by British Prime Minister David Cameron in his speech on January 23, EU members cannot make up their mind in a uniform way to address minor expeditionary peace-keeping missions without having a break-down based on national interest, colonial history, or path dependent national postures. Colonel Michel Goya of the Strategic Research Institute at France's l'Ecole Militaire in Paris recently said of France's actions in Mali, "We have more freedom of action if we do it alone than if we go through NATO procedures. It would be even worse at the EU level. If we do it alone, it's more efficient in military terms."¹ This view only highlights this point, which is particularly prevalent among the more powerful EU member-nations. Foreign observers often ask how the EU would deal with a credible military threat without the United States. The responses that are given are rarely convincing. Given Europe's wealth and advanced societies, it is unsettling to see the state of European defense.

A second reason for the European Union's failure to develop a credible Europe-centered defense framework lies in the fragmentation of the European defense industry. British Prime Minister Cameron's speech made it very clear that the European Union is not a vehicle for security, but a structure to grow prosperity and jobs. If the focus is to create jobs and protect one's own defense industries, then a unified European defense becomes problematic. Too many European nations make poor choices in their acquisition of defense systems because they are focused on protecting inefficient defense firms and saving local jobs. Thus, member-nations often buy a little of everything from domestic firms rather than focusing on the efficient acquisition of systems where a given country has a competitive advantage in design and production. We will say more about this later.

The European risk

The geopolitical consequences of the current approach to defense are tangible. The approach of EU member-nations lacks credibility because there is too little integration, coordination, and shared grand strategy, which is puzzling given Europe's experience with NATO over the past six decades. The fact is, undertaking a major war is not the same as undertaking a minor expeditionary peace keeping mission to the Third World. The recent campaign in Libya (2011) and ongoing French operations in Mali—both minor operations—are illustrative of what will happen if the United States, at some point in the future, is neither available nor willing to provide significant support to European nations engaged in military operations.

The lack of a unified European defense will prove to be a significant risk in coming years. It could, under specific circumstances, invite an attack by an adversary. A Russian occupation of the Baltic States or the Swedish island of Gotland (from which the Baltic Sea easily can be controlled by airpower) or a Turkish invasion of Southern Cyprus, for example, are not implausible challenges to Europe. We should not forget that a major reason the Second World War began was that Reich Minister for Foreign Affairs Joachim von Ribbentrop, together with the Nazi leadership, concluded that England and France were not prepared to defend Poland and were making empty threats when both countries threatened to declare war if Poland was invaded.

According to Kenneth N. Waltz, deterrence is what you can do, not what you will do.² Thus, Britain and France failed to deter Germany and the Germans misjudged the British and French governments' commitment to war on behalf of Polish freedom. British and French will was of lesser concern to the Germans because, as the Nazi regime reasoned, British and French capability was lacking. Expanding on Waltz's description, if deterrence equals capability plus credibility, the lack of capability led to the failure of deterrence. Largely, the Germans identified the lack of Anglo-French capability correctly. France was forced into a humiliating peace settlement, leaving Paris occupied. The survivors of the British Expeditionary Forces fled to Britain after a horrifying defeat. The conflict did not turn in favor of the Allies until the Soviet Union and the United States entered the war.

Today, European Union member-nations are in a similar situation as Britain and France in 1939. There is a distinct lack of capability and significant lack of unified effort. The real question is; for how long will the United States defend Europe? If history is any indicator of the future, war is not just an aberration. It will come again and the EU focus of peacekeeping will be insufficient to defend the continent from a great power adversary.

Throughout history, adversaries have taken steps toward conflict that escalated quickly. In many instances they underestimated the capabilities and will of their adversary because of overconfidence, imperfect information, and a host of other reasons. This led to wars with horrific consequences. For the European Union, deterring conflict against great powers should be a principal concern. To be successful, a capable and credible European defense is necessary. Today, as seen from the outside, the European Union lacks both.

The geopolitical price of egoism

A unified European defense could be achieved within current budgetary constraints. However, several barriers exist. As mentioned previously, one barrier is that national defense is seen, first and foremost, as a way to spend tax revenue to benefit national industries. The consequences of such policies are significant. For example, the total fleet of European submarines can be efficiently manufactured in one or two shipyards. Today, however, there are approximately ten ship builders in Europe that build submarines. The total European shipbuilding industry has forty major shipyards employing 120,000 workers and far more subcontractors and suppliers.³ This is highly inefficient and trades local manufacturing for greater capability.

Countries, such as Sweden, maintain their ability to build submarines by buying just enough to keep a firm open, but too few to provide adequate capability. In 2010, for example, Sweden ordered two new submarines to be delivered in 2018-2019.⁴ The initially projected cost to develop these submarines was two billion SEK (€ 220 million)—significant development costs for a small fleet even when considering foreign sales. The conventional wisdom in military affairs suggests that the ultimate development cost of these vessels will exceed initial projections significantly—making their acquisition even less efficient. In fact, there is good probability that the cost to build one Swedish submarine will prove less than the developments cost of the same system. Unfortunately, examples like this are repeated across Europe.

As a way to visualize current losses from a lack of an “economy of scale” we suggest a federal approach to defense acquisition. The European submarine force is a case in point. Ten European navies currently field 58 submarines. These countries produced their small fleets in domestic shipyards through an inefficient development and manufacturing process. If, however, a federal approach were employed, a smaller number of firms would develop and build fewer models, but in larger numbers—increasing capability. This approach would require that European firms consolidate their defense manufacturing or close inefficient firms. The development and manufacturing costs of each submarine would decline significantly.

Admittedly, such an approach to arms development and acquisition would require dramatic increases in trust among EU member-nations. Providing collective defense inherently requires the diminution of individual autonomy, which is particularly unappealing when there is no clear adversary. But, should a resurgent Russia or another peer competitor decide to threaten European security it will already be too late for Europe to get its house in order. Given the current time to develop and field weapons systems (5-15 years on average), it is unlikely that the European Union will have the time to effectively prepare for such a threat.

Not only would such an approach to defense development and acquisition significantly increase the submarine fleet (through efficient development and manufacture), but it would make the fleet highly interoperable while dramatically decreasing the cost of spare

parts, munitions, and repairs. Some will suggest that there is no need for additional capacity and that it is more important to maintain an indigenous arms industry. The first point is only accurate if there is no threat. The second point is true if the potential threat is likely to come from a fellow European Union member-nation. Should these counterarguments be incorrect, reform of the current defense framework is necessary. It is simply too inefficient to maintain 27 separate defense industries within the European Union. The European Aeronautic Defence and Space Company N.V. (EADS) and the joint development of the F-35 Joint Strike Fighter are two examples of multinational collaboration, but far more like it is required.

Affordable European defense

In an era of austerity, with shrinking defense budgets, it is pivotal that European Union member-nations develop a defense framework that improves integration and reduces development and acquisition costs. Currently, there are 27 European Union member-nation armies; 18 navies with missile boats and/or larger warships; and 20 air forces with a combination of combat aircraft, airlifters, intelligence, surveillance, and reconnaissance aircraft, and other airframes. This effectively represents 65 different military branches that are buying hardware, developing defense strategies, and, in many cases, engaging in marginal interaction with other militaries. If EU member-nations viewed defense as a core European task, instead of a national issue, significant improvements in defense planning and acquisition would prove possible. Even while maintaining their unique national identities, much as occurs in NATO, thinking in terms of a European Navy, European Army, and European Air Force would prove fruitful to peace across Europe and toward the deterrence of external adversaries.

Such a plan would require specialization within the European Union. For example, coastal EU member-nations could focus solely on maritime defense, while nations in the interior of Europe could specialize in very specific defense capabilities. By doing so, broader economies of scale would be possible. As an example, the Netherlands has an army, air force, and navy. In a proposed federal model the Netherlands would focus on naval power—relying on other European states to provide land and air defense capabilities. Dutch defense spending would be focused on one branch, the Navy, which would be equipped with military hardware that is developed and acquired through European Union joint-ventures.

While such a proposal is certainly a dramatic departure from the current state of affairs and would, admittedly, make it difficult for individual nations to effectively defend themselves from an attack by another EU member, it would be no less difficult for an EU member to act as an aggressor against another EU member-nation. If Robert Schuman and Jean Monnet's desire to prevent future intra-European conflicts still remains, an integrated European defense framework within the European Union is the best option—should NATO no longer prove to be adequate for the defense of Europe. Even with a credible NATO, much of what we suggest remains relevant. Given German Chancellor Angela Merkel's recent speech in which she stated that Germany should become a "global

presence,” it may be time for European nations to contemplate ways to constrain the continent’s great powers.

From the perspective of defense acquisition, the current approach makes little sense. Thinking long term, does it really matter if the air force securing Finland’s skies is Finnish or Belgian? For many Europeans, it might sound like a far-fetched idea but seen from a distance, and as foreign observers, a federalized defense would create a far stronger trans-European military. The preference of small and medium states to maintain a little of everything is inefficient and diffuses the military value of European defense spending. And with the era of austerity at hand, Europe can both federalize and improve its military capability through specialization and scalability—all without moving too far from the accepted norms of the Westphalian model.

Conclusion

For a credible European defense to serve as a capstone of continental security, the European Council and European Parliament should undertake tangible efforts to create a credible combined defense framework that moves the European Union beyond those economic issues that dominate the current debate. The ultimate key to success will be trust. Can European nations trust one another? If EU members cannot trust one another enough to actively discuss and perhaps move toward a Europe-focused common defense, then the utility of the Union is questionable. While many questions are certain to linger and there are substantive reasons for concern within such a common defense framework, the past seven decades of peace across Europe offer hope. And as the geopolitical landscape shifts to one where there are multiple great powers (economic and military) the role Europe will play in such a world is unknown.

Russia has launched a major military buildup and is again starting to build a high-seas fleet, replacing old military hardware with modern inventory, and conducting exercises on a Soviet era scale—for the first time since the Soviet Union’s collapse. China is proving increasingly assertive and beginning to take aggressive actions to defend its core interests. Brazil is a growing power in South America and is expanding ties to India, China, and other great powers. For many interested observers of Europe, the European Union’s role in uniting the continent is uncertain. In the not too distant future, fiscal challenges in the United States and a focus on a rising China will make it difficult for American leaders to invest much blood and treasure in the defense of Europe. The U.S. is set to reduce its military role over the coming years with a focus on the defense of the continental United States and American interests in the Asia-Pacific. Whatever the EU member-nations may decide, they should at least seriously contemplate a shared defense future. The time to prepare for such a future is now.

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