EU Defence Policy: Evolution, Prospects and Implications

KLAUS BECHER*

Since 1998, after having failed for decades to establish a common policy on security and defence except on the subset of issues dealt with in NATO, the EU has made astonishingly rapid progress in this area. The launch of the European Security and Defence Policy (ESDP) enjoys a broad consensus both between and within EU countries. It is remarkable that unlike in other important issue areas such as Economic and Monetary Union, not a single EU member is opting out of ESDP, even though four of the 15 EU member states are not in NATO and come from a tradition of neutrality and non-alignment.

The further one moves away from European capitals, the more esoteric the topic ESDP is bound to appear. Its motivation and thrust is not easily understood, and confidence in its positive implementation does not abound. Europeans must be prepared for some tough questions. For the sake of a well-based assessment of ESDP and its implications, its historical background and its evolution since 1998 should be taken as a starting point.

Historical Background

Before looking at current developments, one ought to recall briefly how security and defence evolved after 1945 in Europe. Initially, in spite of the rather obvious bipolar confrontation between East and West that ran through the centre of the continent, it took Western governments a full decade to forge a lasting defence structure for Europe. The 1948 Brussels Treaty of the Western European Union (WEU), initially perceived as a mutual defence pact against any future repetition of German aggression, provided a political nucleus that helped to convince the United States to launch the North Atlantic Treaty Organisation, re-strengthen US military presence in Europe and thus provide protection to its European allies. The multinational military headquarters SHAPE, kept in place after World War II, was transferred from WEU to NATO, from British to American hands. As a complement and symbol of European political control, the post of NATO Secretary-General was (and still is) reserved for Europeans. With West Germany's inclusion in NATO as an equal partner in 1955 after the rejection of the premature and

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misconceived European Defence Community by France, an arrangement was established that fundamentally remained unchanged until the 1990s, marked by indisputable, beneficial US dominance that provided a stable framework for Europe's process of economic growth and integration.

When the Eisenhower administration pulled the carpet from under their British and French allies in the Suez intervention of 1956, the leading military powers of Europe learned, among other things, that there was no longer any room for their independent military role in a world of US-Soviet antagonism and an alliance dominated by US leaders who regarded NATO as vitally important to US interests. Since then, the international use of force has never been an area where any European NATO country felt it advisable to take initiatives at odds with US interests. This, of course, led not only to a culture of dependency in military affairs but, above all, often to the marginalisation of defence aspects in national and, by extension, European foreign and security policy-making.

Since the early 1970s, European integration proceeded slowly but with remarkable steadiness from the Werner plan to Economic and Monetary Union and the Euro as common currency and from the Davignon plan to the Common Foreign and Security Policy (CFSP). In the G-7, a new forum was developed that allowed Europeans to strengthen their international political voice, based on their economic weight. Defence, however, remained entirely outside the scope of this European integration process, and available energies went into securing sufficient influence within NATO. This line of development culminated in NATO's decisions to set up flexible Combined Joint Task Force command structures and to develop a European Defence Identity within the Alliance. Franco-German bilateral approaches since the 1980s had helped to conceptualise the possibilities of closer co-operation between Europeans in defence and armaments. Like the attempted revitalisation of WEU, however, it never acquired more than marginal operational relevance, mainly because defence establishments remained focused on NATO as the only serious show in town.

As to be expected, the security and defence calculus of European nations has been changing in several dimensions since the end of the Soviet Union. One element was the considerable reduction in force sizes and defence budgets that convinced not just the smaller countries that they could no longer organise and pay for a high-quality, all-round national defence without decisive efforts to pool their resources. This was also reflected in a reorganisation of NATO that favoured the establishment of new multinational units, in part with US participation, in part just European, like the EUROCORPS and, in the South, EUROFOR and EUROMARFOR. Rationalisation of national defence structures went even further in some cases, as with the Dutch-Belgian integration of navies and air task force.

In the development and procurement of weapons systems, the growing financial and technological pressures also generated the will to break with

old habits regarding joint acquisition efforts. The recent entry into force of the OCCAR agreement (Joint Body for Co-operation on Armaments Matters) between Britain, France, Germany and Italy means that for the first time there is a permanent framework for multinational arms procurement that does not require a case-by-case balancing of national industrial work-shares and allows a new level of efficiency in the establishment of a European marketplace for defence equipment. In July 2000, another agreement was signed by Europe's leading six arms-producing countries (the four OCCAR members plus Spain and Sweden) based on the so-called "letter-of-intent process" launched two years earlier. Its purpose is to facilitate cross-border industry consolidation through harmonising procedures and policies in fields such as defence acquisition, security clearances, and export licensing.

Meanwhile, the repositioning of Europe's old national defence contractors, driven much more by business requirements than by governments, continues at breathtaking speed. Both EADS and BAE Systems are now comparable in size to US contractors such as Lockheed Martin or Raytheon, though still far behind Boeing. British-based BAE systems has been focused on transforming itself into a truly transatlantic company, exemplified in the take-over of Lockheed Martin's Aerospace Electronics Systems completed in November 2000. BAE Systems is now doing almost a quarter of its business in the US.

The Shaping of ESDP Since 1998

In this situation, the government of Tony Blair took possession of the concept of European defence integration and redefined it in a more pragmatic and determined way than ever before, with highly visible British leadership. The joint British-French declaration of St. Malo in December 1998 proclaimed that the EU must have credible military forces, the means to decide to use them and a readiness to do so, in order to back up its capacity for autonomous action in response to international crises, based on the politically attractive desire "that Europe can make its voice heard in the world".

During the first half of 1999, the German EU presidency managed to translate this initiative into a set of institutional measures geared at integrating defence policy into the CFSP's decision-making structures for EU-led military operations in support of EU crises. The WEU's limited operational functions are being transferred to the EU, and the CFSP structures under the EU Council were improved by introducing the position of High Representative, filled by former NATO Secretary-General Javier Solana, and by augmenting them with a new security and defence decision-making framework for the ESDP. The tragic embarrassments in the Balkans, with the all-too visible inability to act decisively early enough to stop the unfolding wars, have forced the EU and its member governments to recognise that they must acquire the capability to act coherently and effectively in crisis situations. A coherent defence policy is seen as vital if the EU is to make the best use of its considerable international weight, and particularly if it hopes to "project

stability" into crisis areas and thus help to prevent armed confrontations and the transnational spread of their damaging consequences. The main driving force of the European approach is the realisation among member governments that they cannot deliver success nationally, and risk looking bad to their own electorates unless they exploit European integration to regain their ability to act. Blair made this clear at the time by referring to the then-ongoing preparations for an intervention in Kosovo that made him realise just how little military capacity Europeans could apply to such a contingency.

Until Spring 2001, the only example for European military action where US engagement was lacking is "Operation Alba" after the collapse of the legal institutions and public order in Albania, in reaction to an exodus of refugees from what was then a failed state. From April to July 1997, an Italian-led force with additional elements from France, Greece, Turkey and seven other European countries, with a UN Security Council mandate, restored a secure environment that permitted elections and a return to stability and legitimacy in governance. At the time, while there was agreement that such an operation was necessary, none of the European security institutions (NATO, EU, WEU, OSCE) was in a position to be available as a political and military framework, forcing Italy to pursue an ad-hoc approach.

The EU and its member countries account for 28% of global gross national product. The EU has become the world's largest economic actor. It possesses an assortment of powerful means to assert its interests and influence others. However, it has not yet made sufficient progress in enabling itself to address crisis situations in an encompassing, coherent fashion, employing all the means at its disposal in this toolbox of combined power on the national and community level, non-military and military, efficiently and coherently in conjunction. It is a matter of broad consensus within the EU that its international role has reached a point that European autonomy in decision-making is a necessity that should not even be compromised in the name of transatlantic partnership. It was again the Balkans experience that taught Europeans it was not always sufficient to wait for US leadership, notably in cases closer to regional European concerns than to US global priorities. Also, the temporary clash of policies regarding Bosnia-Herzegovina in the mid-90s and its negative operational impact on close military and intelligence co-operation within the alliance had a lasting impression.

The launch of the ESDP also came with the hope that it might be easier to convince European publics and parliaments to spend on defence if this was done in the name of Europe and not only "for NATO". This seems indeed to have had a positive impact in some countries, e.g. the Netherlands.

The UK continues to be the key country behind ESDP. The policy has been serving British interests well: It affords the UK a leading role in Europe, reinforces the intergovernmental approach within the EU, helps to prevent an overstretch of British forces, and allows London to play a stronger hand in relations with the US in its dual strategy for deepening defence and defence-

industrial co-operation across the Atlantic and within Europe at the same time.

ESDP was not born out of any specific threat perception or scenario. If anything, the general spectre of the transnational spread of instability, notably with a large-scale refugee movement and organised crime, helped motivate European leaders. The declared ambitions are quite modest. They were originally conceived in June 1992 as a list of low-intensity tasks for European armed forces drawn up by the WEU at a ministerial meeting near Bonn. The "Petersberg tasks" refer to humanitarian and rescue missions, peacekeeping efforts and tasks of combat forces in crisis management, including peace making. They have since been incorporated in the Treaty of the European Union.

In Helsinki in December 1999, EU leaders agreed to "develop an autonomous capacity to take decisions and, where NATO as a whole is not engaged, to launch and conduct EU-led military operations in response to international crises." For this purpose, they recognised the need to be able, by 2003, to deploy within 60 days and sustain for at least one year military forces of up to 50,000-60,000 persons capable of the full range of the Petersberg tasks. In mid-2000 this goal was complemented, for non-military crisis management, by the pledge to be able to deploy 5,000 policemen for international missions, of which 1,000 would be available within one month.

Most EU countries would today interpret these Petersberg tasks without literal reference as encompassing the full range of possible conflict prevention and crisis management missions short of contingencies under "Article 5" (collective self-defence). Thus, the possibilities range from civil emergency assistance and evacuation of civilians abroad to interposition between conflicting parties, and even the robust enforcement of a contested cease-fire or peace regime, by separating parties by force, including operations similar in type, if not necessarily conduct, to Operation Allied Force in Kosovo. There is no clear answer on whether these tasks might include contingencies outside the geographic confines of Europe and its immediate neighbourhood, or embrace full-scale war as opposed to just crisis management. Not all 15 members have so far been willing to sign on to communiqué language that would explicitly include "the most demanding" Petersberg-type tasks in the ESDP.

It must be clear that the more ambitious range of possible missions, while possibly EU-led, would still require the employment of NATO structures and capabilities. This is certainly true for the near and mid-term future. Even in the longer term, countries like Britain and Germany see little value in stressing the vision of full emancipation from NATO. 17 of the 19 members of NATO are European, and all but one have been building virtually all their defence efforts on NATO's military integration. For almost all EU member

states, NATO, not ESDP, continues to provide both the main reference point and the operational framework for European defence.

European governments, also including the French defence ministry, have said many times that ESDP is not about creating a European army. Under British pressure, they are even reluctant to refer to the outcome of the Helsinki headline goal effort as a European rapid-deployment "force", preferring to refer to it just as a set of capabilities. This is of course also a reaction to the sometimes-ferocious US insistence that European efforts should not lead to decoupling, duplication and discrimination within NATO. These "3 D's" have in the meantime been softened rhetorically but not necessarily in substance by NATO Secretary-General George Robertson to the "3 I's": indivisibility, improvement and inclusiveness.

On the bottom line, ESDP has been enjoying US support, and there is no indication that this is changing in the Bush administration as long as "it is good for NATO", in Secretary Rumsfeld's words. From the US viewpoint, ESDP's virtue is that it could lead to increased European defence capabilities. For Europeans, too, it is clear that the expectations raised must be fulfilled with real capabilities now, and must produce a credible and sustainable ability to act. The most important criterion of progress is thus whether additional capabilities are created, or existing ones are better applied. In this regard, the implementation of the Helsinki headline goal overlaps in part with NATO's 1999 Defence Capabilities Initiative, designed to prepare allies for multinational operations across the full spectrum of NATO missions through interoperable, mobile, readily deployable, well-protected and well-equipped forces.

The defence review under US defence secretary Rumsfeld, with its focus on the area between Central Asia and the Pacific and on increased independence from forward bases, highlights the fundamental strategic significance of Europe's own capabilities to underpin European defence and NATO in case US forces in Europe drop far below current levels. The need to preserve the functioning multinational defence structures established in NATO even if the US shifts its focus elsewhere has been a constant driver behind European defence integration efforts, at least for the last ten years.

The Practical Implementation of ESDP

The implementation of the Helsinki goals was pursued at considerable speed. Since March 2000, the interim military staff has been providing in-house military expertise to the Council Secretariat, headed by Javier Solana, and has established liaison with NATO, WEU, national delegations, and other parts of the EU. The EU military staff is a secretariat, not a command staff. It does not conduct any operational-level military planning. However, its role in the new joint civil-military Situation Centre in the Council Secretariat gives it an important role, also as the place where national intelligence flows

together. It is hoped that the capabilities development process launched in the course of 2001 will provide the EU's new military structures with the secure information and communication technology, including access to intelligence systems, which they would need to provide effective military support to EU crisis management.

From the beginning, the new EU institutions have been co-operating closely with NATO. A high-level task force (HTF) that also met regularly with NATO experts (as "HTF plus") developed a catalogue of military assets required for the rapid-deployment scenarios envisaged (evacuation, humanitarian assistance, disaster relief, conflict-prevention missions, and forced separation of belligerent parties). On 5 February 2001, the EU Political and Security Committee had its first regular meeting with the North Atlantic Council on the ambassadorial level. Under the new arrangements, six such joint meetings – that involve all 23-member states of the EU and/or NATO – will take place every year. In addition, two joint meetings at the level of foreign ministers are foreseen.

Based on the catalogue of requirements identified in co-operation with NATO, the 15 EU nations in November 2000 pledged military assets and capabilities to the EU crisis-management capacity. They committed a total of 80,000 land personnel, sustainable for at least a year, with each of the four largest member-states accounting for 15 percent or more of this total. They also earmarked more than 50 existing headquarters elements from corps to brigade level for EU operations and made over 600 aircraft and nearly 100 ships available, as well as the French Helios-1 satellite reconnaissance system. Also, non-EU European NATO members, including the three new central European NATO members as well as Norway, made attractive additional pledges to this capabilities pool for EU-led operations.

Open Questions

Among the questions and unresolved issues that remain at this stage, there is still concern that the conduct of European foreign policy, involving 15 sovereign nations, the EU Council, and the Commission is still too unfocused and unpredictable for the optimal employment of military means in the service of political and strategic goals. It is neither a secret nor a surprise that a security and defence culture that would facilitate responsible decision-making on defence matters and the conduct of operations does not yet exist within the EU. However, the tangible shift towards a Brussels-based common security and defence policy has already produced a remarkably open mindset and removed previously-held mental barriers between a "civilian" EU and the world of defence, building on the widespread experience of practitioners in the Balkans and elsewhere that military protection and involvement was in fact an indispensable, though missing element for a successful pursuit of the EU's international efforts.

Another fundamental question that meets varying answers is which benchmarks should be employed to measure success or failure of ESDP: Is it the degree of autonomy it delivers, the amount of capabilities it creates, its impact on defence budgets, or the quality of performance in the first European-only operation? With regard to the latter, it is likely that the EU would prefer to take this test in some simple, compelling, affordable, low-risk and limited crisis within easy reach.

One central problem that has not been completely resolved is the proper place and manner of planning for European operations on the force-planning, operational and strategic level. After a public confrontation between the French and British at Nice, it has been made clearer that there is not to be a separate European military planning capability outside NATO's established planning structures. Separate force planning and operational planning would be duplicative, and thereby could jeopardise the coherence of joint military efforts in NATO, given the differences in focus and mandate between NATO and the EU. NATO is expected to grant the EU permanent, guaranteed access to NATO's planning structures. But France remains skittish about how close EU and NATO consultation should be.

The French role has been hard to read. On the one hand, the nation's defence establishment and armed forces have clearly adopted a pragmatic stance towards NATO since the experience of the 1990/91 Gulf War and the active involvement in the Balkans. On the other hand, the language and attitude of French exceptionalism remain mostly unchanged, and there should be no hope that French diplomats will be prepared to sacrifice this aspect of national identity on the altar of pragmatism. The relationship between ESDP outside NATO and ESDI inside NATO will therefore most likely remain ambiguous.

A number of NATO Members outside the EU, including Canada, are concerned that ESDP could undermine their interests. After the Feira meeting in June 2000, the six European but non-EU NATO members called for concrete mechanisms for regular political consultation and practical co-operation on ESDP matters. The EU has offered a wide-ranging set of measures, ranging from semi-annual ministerial meetings and routine involvement in the preparation of the Political and Security Committee (PSC, or COPS) meetings to permanent liaison with the EU military staff and intensified consultation on all levels before decisions are taken on EU-led operations. Nevertheless, Turkey has continued to impede the process of EU-NATO harmonisation and blocked arrangements that would make pre-identified NATO assets and capabilities available for EU-led operations, insisting that Turkey must first be granted decision-making input by the EU. This Turkish attitude caused considerable headache not only to the EU but also to NATO and the US.

It is not yet clear to which degree ESDI arrangements on using NATO structures under the (European) Deputy SACEUR for EU operations will actually be available, or whether the EU will have to resort to augmented

lead-nation structures instead that would essentially take away from the advanced level of multinational military integration achieved in Europe within NATO in the past. Also, it is not clear how exercises for EU operations under the "headline goal" should be organised. As an interim solution, this will fall in the responsibility of leading European nations, a term generally seen as referring to Britain, France, Germany, and potentially Italy.

The Need for Improved Military Capabilities

The EU is bound to declare its headline force capabilities "fully operational" before 2003. In many respects, this will be somewhat fictitious. EU nations are not short of manpower and platforms, but the transatlantic division of labour in NATO left them short of many of the crucial capabilities that are needed to lead operations and project power.[1]

There remains a need to upgrade and augment European capabilities in many crucial areas, including strategic air and sea lift, air-to-air refuelling, helicopters, precision guided munitions (PGM), command, control and communications as well as reconnaissance and strategic intelligence. These capability gaps overlap in part with those already identified in the US-initiated Defence Capabilities Initiative (DCI) of 1999: Certain lacking C3I elements such as secure communications and unified friend-foe identification amount to show-stoppers in anything but very limited contingencies, as do deficiencies in suppression of enemy air defence and offensive electronic warfare.

The decision for the multinational procurement, and eventually joint operation, of Airbus A400M wide-body air-lifters and tankers (capable of lifting tanks and extended air-defence systems over long distances), the Dutch-led initiative of five European countries with F-16 aircraft for multinational purchase of PGMs and other similar approaches demonstrate that the challenge has been understood, and show the way to cope with it. Recently, Javier Solana presented EU ministers with a roadmap for filling the capability gaps: The EU needs to improve the way its members collectively allocate existing defence resources. Significant savings can be realised when several countries pool their efforts around the same systems and operate them together. These savings would be greater if these collective efforts were extended to common maintenance, logistics and training. A more systematic and concerted approach to task sharing among armed forces would yield a more effective allocation of resources. Where collective capabilities exist in NATO, duplication should be avoided. Europeans should favour investments in capabilities that are in short supply in NATO, thereby helping to strengthen Alliance capabilities, as in strategic transport. Further-reaching proposals,

[1] Cf. the forthcoming Adelphi Paper by Hans-Christian Hagmann on increasing EU and NATO capabilities.

such as the establishment of an EU budget for new collective defence capabilities, have not been politically accepted at this time.

The term "collective capabilities", used more or less synonymously with strategic-enabling capabilities, does not mean that such capabilities must be acquired multinationally. For example, after an earlier failed bilateral approach (Helios-1/Horus), the projected German very-high resolution radar imaging satellite SARLupe will be developed, built and operated under national authority but be made available for collective requirements, like the French optical Helios satellites.

The key to ESDP is indeed the need for "autonomy", not in the sense of autonomously organised forces but as an expression of the ability to lead crisis reaction measures across the whole spectrum, including military operations. It is worth noting that this goal is shared by Britain, even with its implications for the particularly intimate intelligence co-operation with the US. The House of Commons Defence Committee noted in its report on Operation Allied Force that

> [T]he USA will never share all of its intelligence even with the UK, and we will never know what we do not know. (...) As a sub-contractor to the USA in intelligence gathering and analysis, the UK cannot make unilateral decisions about the access it gives to its other Allies to the information it has. If the European Security and Defence Identity is to develop, the UK and its European Allies will have to give further thought to the balance between intelligence capabilities rooted in the American link and those which are nationally owned or shared within Europe.
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> (House of Commons Defence Comittee, report no. 14, October 2000)

Much speaks in favour of the assumption that improved EU intelligence-gathering capabilities would both strengthen Europe's ability to act and its attraction to the US as an ally with valuable resources.

In principle, the fact that EU nations, combined, spend roughly 60% as much as the US on defence should mean that the existing level of defence spending is sufficient, even though they get much less value for it in terms of fighting power. Unfortunately, however, their forces are still in many respects configured for the cold-war era. Rising personnel costs and a wave of systems acquisitions initiated some time ago, as well as the costs of ongoing operations, leave little room for investment to satisfy newly identified requirements. The continued desire for a "peace dividend" (in spite of the wars in the Balkans), the low priority accorded to defence in the absence of a perceived military threat, and the macroeconomic preference for reduced public spending mean that new euros, pounds and crowns for increases in defence spending are slow in coming.

NATO Secretary-General Lord Robertson's claim that the cuts in most European defence budgets have been stopped, and some budgets at last are rising, is not yet supported by the numbers, at least if one looks at them in constant dollar terms. European defence spending in real terms continues to fall at a rate of nearly 5% each year. A more precise indicator of the generation of new capabilities is spending on equipment and research and development. R&D spending is falling by 2% a year. Equipment procurement by European NATO members is at its lowest level in decades, having fallen 6.9% since 1996 compared with a 4.7% rise in US spending over the same period.

A handful of European countries did manage to increase their 2001 defence budgets in real terms, if only marginally. Others, such as the Netherlands and Belgium, at least began to redirect spending from personnel to equipment. Germany, by default the backbone of EU capabilities in land forces, is sadly behind with its much-advertised reforms. Even the independent Weizsäcker commission, in its May 2000 report, shied away from recommending full professionalisation and ending the draft. To be realistic, the government's attempt to preserve a total force strength of 285,000 soldiers and at the same time to more than double available, well-equipped and well-trained operation forces (*Einsatzkräfte*) to 150,000, clearly requires additional funding.

German efforts to free up funds through rationalisation, privatisation and property sales have been anaemic and unavailing. Defence Minister Rudolf Scharping had to admit in March 2001 that he needed an additional $180m to meet obligations, with no hope of extracting additional appropriations from the treasury and parliament. The Bundeswehr's Inspector-General announced publicly that, as a consequence, German forces were no longer fully operational and were stretched to the limit in Balkans deployments. Unless defence will be given top-level attention in Germany and is provided with adequate funds, this neglect of the ability to honour multinational commitments is bound to seriously damage Europe's security and defence ambition, as well as NATO's European pillar. A RAND study in 1993 put costs of European defence independence between $1.1-3.8bn a year. For a country like Germany this would mean additional costs of DM 1-2bn a year, or approximately 3-4% on top of the current defence budget. With a modest investment of political leadership, this would certainly be feasible.

Potential Strategic Implications of ESDP

The implications of European defence autonomy for the future of the transatlantic relationship, and by extension for other parts of the world such as the Middle East, are open. The issue is unavoidably linked with other elements in the overall transatlantic political and intellectual environment, and thus interacts with themes such as missile defence and trade disputes. In particular, emotional, value-based differences like on genetically modified

food, global climate change, the death penalty, and possibly nuclear energy could potentially, if mishandled politically, create an atmosphere of estrangement that could drive a wedge between NATO and ESDP.

There are also some concerns that a substantive bifurcation of the notion of security could result from the US focus on military superiority and advanced technology for shaping and preserving international security on the one hand, and the European focus on countering different, not essentially military kinds of security threats to their societies, such as large-scale migration, primarily with political, diplomatic and economic means and through coordinated law enforcement.

There is at this time a strong intellectual tendency in Europe, not just in France, to say that the end of the East-West conflict will unavoidably lead to an erosion of common perceptions between the US and Europe. While this approach appears to be popular among those whose political consciousness was shaped around 1968, based on resentment of Europe's domination by two outside superpowers, many older or younger Europeans would not as easily sign on to the doctrine that without a unifying threat Europe and the US will drift apart, feeling that the alliance between affluent individualist democracies is above all based on their shared interest in preserving the basic conditions for free market economies and individual liberty.

ESDP and the Middle East

It is too early to speculate on potential implications of ESDP for the Eastern Mediterranean and the Middle East. The US-French dispute over the command structure in this area in the mid-1990s underlined again that US willingness to share the burden with Europeans in this strategically exposed area is limited. Middle Eastern scenarios do not play any noticeable role in current planning for EU-only operations. On the other hand, the envisaged membership of Cyprus in the EU and the need to come to a constructive relationship with Turkey will bring the EU necessarily closer to this region.

The derailing of the Palestinian peace process in 2000 and the prospect of a potentially violent power struggle among Palestinians over the succession of Yasser Arafat are beginning to pose the question of a potential future European force presence in the context of the Israeli-Palestinian conflict in a new light. A situation may arise where the deployment of robust external interposition and peacekeeping forces would be in the interest of parties in the region and necessary for international security. At the same time, given both doctrinal resistance in the US and considerations of political expediency, US forces might not be available for such a role. While such a situation is purely theoretical for the moment, it may nevertheless be useful to reflect if ESDP, or more generally speaking, European forces might offer a viable alternative in such a case.

Theoretically, providing a secure environment and stability for a positive process of change in a conflict area at the periphery of Europe such as Palestine, bringing military and police elements to bear alongside existing political, diplomatic, economic and cultural efforts, would seem like a typical role for which ESDP is designed. However, the first hard question that would have to be put is whether a European-led force would already be able to muster the required capabilities to operate in that region. The answer would very much depend on the nature of the task and the given security environment as well as on the available degree of direct military support from non-EU powers.

The other important question would be whether there can be a clear, agreed and sustainable definition of the mission as well as the political thrust behind it. Some of the political positions the EU has traditionally been committed to, in as far as they differ from US positions and understandings reached between the conflicting parties, might raise doubts about the compatibility of a strong EU role with desired outcomes of a renewed peace process among the parties involved. On the Israeli side, the particularly rigorous critical attitude towards settlements and annexation of territory as pursued by the EU throughout the last two decades, before as well as after Oslo, would probably continue to represent a serious obstacle to the acceptance of any involvement of European forces. It may of course turn out that EU positions would evolve in a less legalistic, more practically compatible way, more reflective of the dynamics of the societies involved, once European diplomacy wouldn't be limited any more to the sidelines in dealing with the Palestinian conflict. There is currently no sign of such a development, though.

In any case, there would likely be a strong preference in most EU countries not to address the issue of a European force commitment in the Palestinian context unless there will be a strong US demand as well as reliable political and military US backing for such a European force presence. This aspect would then make it appear unlikely that the autonomous ESDP label would be expressly attached to any such operation if it were ever to happen. Instead, it would more likely be conceived of as a *sui generis* operation supported by NATO structures, under a UN mandate.

For the time being, the European role in this region will most likely continue to be mainly economic. If the CFSP's "toolbox approach" is successful, however, a more integrated policy with stronger regard for security and defence aspects may evolve. If, in addition, EU countries decide to invest in upgrading their military capabilities for operations outside Europe, the conditions for an active role in the Middle East would gradually improve. The possibility remains, however, that Europeans may be called upon by the US and others to assume such a role before they are ready for it. This prospect should help to spur European efforts to get it right as they are working on the evolution of ESDP, its anchoring in the transatlantic alliance, and the transformation of European defence and security capabilities.

Preserving NATO through ESDP

For the nearer term, though, European security concerns are likely to be seen closer to home: in the Balkans and with regard to Russia. The new NATO that was formed in the 1990s provides an anchor to continued US engagement and provides stability beyond the EU members' territory, expected to expand eastwards, at the same time reaching out to Russia and Ukraine to shape a lasting relationship of co-operation and partnership. One yardstick of success with respect to ESDP will be if, in conjunction with NATO, it will be able to preserve this strategic role for NATO after a potential US force retreat from Europe. In spite of the fact that the EU chose both Russia and non-proliferation as early targets of the CFSP's new instruments – common strategies and common action – it must be clear that an integrated, politically and strategically cohesive and well-focused overall EU approach to Russia that includes all relevant aspects across the spectrum of issues, including arms control, co-operative threat reduction, defence, and international security, is still far away.

In the past, NATO was invaluable to Europeans because it provided an opportunity to plug into and sometimes even influence US policy-making vis-à-vis the Soviet Union (and indirectly also vis-à-vis the Middle East). In the future, with European economic power and sustained political engagement more and more important for common stability-building efforts, it may well be a matured EU strategy toward Russia (and at some time potentially also the Middle East) that would provide the anchor, through NATO and the G-8, for US power in these regions. Looking at it this way, the EU's young defence policy may after all not be quite as esoteric a topic as initially believed, and more countries might have an interest in its success than is apparent at first glance.