EU-NATO Cooperation in an Era of Great-Power Competition

By Luis Simón

Over the past two decades, discussions on EU-NATO relations have been closely associated with crisis-management operations and transnational threats. But that is yesterday's world. The return of great-power competition is eliciting a shift in European security and transatlantic relations toward deterrence and defense. As such the conceptual framework that has so far underpinned debates on EU-NATO relations has been, by and large, rendered obsolete.

The return of great-power competition and growing uncertainty about the United States' commitment to Europe have led to renewed calls to turn the EU into an autonomous pole in global politics. Some even toy with the notion of European equidistance in a global context that is increasingly defined by Sino-American competition. At the same time, the EU's need to give its global role a security and a transatlantic anchor underlines the potential of a more structured EU-NATO dialogue.

Great-power competition also has important implications for capability development. A key challenge is to ensure that the EU's new defense initiatives help reinforce NATO's ongoing efforts in deterrence and defense. One way to do that would be to give the EU's High Representative for Foreign Affairs and Security Policy the authority to bring together the industrial and politico-strategic aspects of the union's defense policy, and thus act as an effective bridge between the EU and NATO.

The last three years have witnessed a steady flow of self-congratulatory remarks about unprecedented progress in the relationship between the European Union and NATO. Their joint statements in 2016 and 2018 provided a compass for greater cooperation between them. But it is important to put this in perspective and ensure that the relationship keeps apace with a rapidly changing—and worsening—geostrategic environment. Discussions on EU-NATO cooperation remain stuck on a 1990s wavelength, taking crisis management and transnational challenges as their key referents. As NATO leaders meet in London and the EU undergoes a leadership transition, they should revamp their dialogue around the increasingly important theme of great-power competition.

Crisis-Management Cooperation

Ever since the EU stepped into the realm of security and defense in 1999, discussions on EU-NATO relations have been intimately linked with the notion of European strategic autonomy.[1] Whereas European countries tend to see the EU's Common Security and Defense Policy (CSDP) as a useful means to curb over-reliance on the United States in security matters, the latter has traditionally perceived the EU's ventures in this domain as both an opportunity and a challenge. This equivocal attitude on the part of NATO's leading member has also reflected on the EU-NATO relationship, which has always displayed a mix of competition and cooperation.

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1 See, for example, Jolyon Howorth, European integration and defense: the ultimate challenge?, European Union Institute for Security Studies, 2000.

From the outset, the United States warned that any attempt by Europeans to pursue security cooperation in the EU framework should avoid duplicating existing NATO structures, discriminating against non-EU NATO members, or decoupling the EU from the transatlantic security architecture.[2] Yet, it also recognized that there was a growing political demand for European strategic autonomy. More importantly, perhaps, this demand came at a time when the United States was adopting a less direct and engaged approach to European security affairs, as it sought to shift its attention to other regions. For this shift to be successful, Europeans would have to do more in the security sphere.[3]

From a U.S. viewpoint, there was a way to square the European security circle: CSDP would be welcome as long as it helped overcome Europe's strategic introspection and generate the capabilities needed for expeditionary operations, while being firmly embedded in the NATO framework. Key EU member states like the United Kingdom and Germany were sympathetic to this vision. Thus, a sort of balance emerged, with the EU explicitly acknowledging NATO's monopoly in collective defense and confining its venture into security policy to the realm of external crisis management, and more particularly to those contingencies where NATO as a whole was not engaged. This arrangement would still work for those countries, like France, eager to underscore the EU's autonomy vis-à-vis NATO and the United States. The absence of great-power competitors and the salience of transnational challenges meant that collective defense and deterrence were not really on Europe's politico-strategic radar. In this vein, the 2003 European Security Strategy noted that "[l]arge-scale aggression against any Member States" had become "improbable" and that Europe was facing "new threats" such as terrorism, the proliferation of weapons of mass destruction, regional conflicts in the European periphery, "failed states," or organized crime.[4] The focus was not so much on high-end warfare against peer-adversaries, but rather on external crisis management in militarily semi-permissive environments.

When it comes to external crisis management, the EU and NATO have been cooperating and competing at the same time.[5] On the one hand, the 2002 Berlin Plus agreements granted the EU access to NATO assets for the planning and conduct of such operations, while efforts to coordinate capability-development processes in the EU and NATO outlined the complementarity between them. On the other hand, the EU's efforts to set up its own command arrangements as well as to launch operations in Africa—often at France's behest—underlined the principle of political and operational autonomy from NATO and the United States.

Enter Great-Power Competition

For almost two decades, the concept of European strategic autonomy and discussions on the EU-NATO relationship were closely associated to external crisis-management operations—but that is yesterday's world. Neither the EU nor NATO have given up on this field, which remains particularly relevant in Europe's extended southern neighborhood. However, the return of great-power competition is eliciting a conceptual shift in U.S. and European thinking, away from crisis management and transnational threats and toward deterrence and defense.

The return of great-power competition is increasingly recognized in NATO and EU circles. For the alliance, Russia's annexation of Crimea marked a turning point. The 2014 and 2016 NATO summits in Wales and Warsaw ushered in a rebalancing to the core business of deterrence and defense in a context of Russian revisionism, even as crisis management would still

2 Esther Brimmer, 'Seeing blue: American visions of the European Union', European Union Institute for Security Studies, 2007.

3 Howorth, European integration and defense.

4 Council of the European Union, 'European Security Strategy: A Secure Europe in a Better World', 2003, pp. 30-32.

5 For a comprehensive overview of the EU-NATO relationship see Stephanie C. Hofmann, European Security in NATO's Shadow, Cambridge University Press, 2013.

remain part of NATO's remit.[6] More recently, the question of how to deal with China has also found its way into NATO debates, partly as a result of repeated U.S. references to the country as a "long-term strategic competitor" and "the greatest threat to the West," but also partly spurred by European worries about Beijing's recent military exercises in the Mediterranean and Baltic seas, and its military modernization.

Against this backdrop, NATO launched an internal strategic reflection on China earlier this year. For its part, the EU already referred to Russia as a strategic challenge in its 2016 global strategy,[7] and it has more recently defined China as a systemic rival.[8] In his confirmation hearing, High Representative for Foreign Affairs and Security Policy Josep Borrell alluded to the existence of an increasingly competitive world and argued that the EU should learn to "use the language of power."[9] This theme resonates with European Commission President Ursula von der Leyen's call for a more "geopolitical Commission."[10]

A New Framework for EU-NATO Relations?

The shift from a world dominated by transnational security challenges to one increasingly defined by great-power competition will have a pervasive impact on discussions on EU-NATO relations.

Over the last three years the Trump administration has expressed a disdain for the multilateral, rules-based order Europeans hold so dear, and instead emphasized great-power competition with China and, to a lesser extent, Russia. While the EU is also concerned about Russian revisionism and China's

rise, Trump's repeated swipes at it have also provided much political impetus in support of greater European political and strategic autonomy. There seems to be growing political support in EU circles around the need to reject a binary choice between the United States and China, and instead invest in the development of the union as an autonomous pole in great-power politics.[11] Yet, the existence of deeply rooted shared values within the West, the United States' ongoing role in European security, and the fact that many European countries (especially in Central and Eastern Europe) have a closer political allegiance to Washington than Brussels underscores the limits to the notion of EU strategic autonomy and geopolitical equidistance between the United States and China.[12]

Great-power competition bears important implications for capability development. It is one thing for European countries to be operationally autonomous in the context of relatively modest out-of-area operations conducted against non-peer adversaries and another for them to deter or defend themselves against a great power such as Russia. The EU—and more particularly the European Defence Agency—has in recent years insisted that its work on capability cannot be restricted to crisis management and must incorporate capabilities required for defense and deterrence, regardless of whether they will be used directly by the EU itself or simply to boost the capabilities of its member states. This principle is meant to inform three key EU initiatives: the Capability Development Plan (CDP), the Coordinated Annual Review on Defence (CARD), and Permanent Structured Cooperation (PESCO).[13] The CDP identifies those capabilities that the EU should collectively prioritize on the basis of evolving strategic and technological trends, thus providing a reference for CARD, which surveys existing defense capabilities and identifies opportunities for cooperation, and PESCO, which provides a framework to develop key

6 Matthew Kroenig, 'Facing Reality: Getting NATO Ready for a New Cold War', Survival, 57:1, 2015.

7 European Union, Shared Vision, Common Action: A Stronger Europe, A Global Strategy for the European Union's Foreign and Security Policy, p. 33.

8 European Commission, European Commission and HR/VP contribution to the European Council, EU-China—A strategic outlook, March 12, 2019.

9 Forbes, 'Green Light to EU's New Foreign Policy Chief', October 9, 2019.

10 Financial Times, 'A commission to stand up for Europe's interests', September 10, 2019.

11 See, for example, Sven Biscop, '1919-2019: How to Make Peace Last? European Strategy and the Future of the World Order', Egmont—The Royal Institute for International Relations, January 10, 2019.

12 Luis Simón, What Is Europe's Place in Sino-American Competition?, War on the Rocks, February 14, 2019.

13 See, for example, Daniel Fiott, EU defence capability developments, European Union Institute for Security Studies, June 2018.

capabilities collaboratively. Yet, while the EU has the potential to develop the capabilities needed for defense and deterrence (nuclear weapons excepted), its current efforts (including through PESCO) are still primarily focused on the lower end of the military spectrum.[14]

The conceptual leap from crisis management to full-spectrum defense capabilities in EU circles opens up opportunities for cooperation with NATO in this field, not least given the renewed importance that European armed forces attach to deterrence, which NATO excels at and has much more experience in than the EU.[15] This underscores the relevance of the NATO Defense Planning Process (NDPP), "a framework to harmonize national and NATO defense planning activities to enable Allies to provide the necessary forces and capabilities in the most effective way."[16] Notably, the CDP is meant to take into considerations NDPP requirements. Likewise, CARD aspires to develop in coherence with the NDPP wherever requirements overlap, while acknowledging the different nature of the two organizations. In that same vein, the 25 EU member states that signed on to PESCO declared that it is complementary with NATO and insisted that the alliance "will continue to be the cornerstone of collective defense for its members."[17] Yet it remains unclear to what extent the CDP, PESCO, and CARD will actually feed into the NDPP process or provide an alternative framework.

The key political challenge for the three EU initiatives is to make themselves relevant in the context of the newly launched European Defense Fund (EDF), which puts their relationship with NATO and the NDPP on the back burner. This leads to a critical sticking point in the EU-NATO relationship. In 2017, the European Commission launched the EDF as a vehicle to provide financial incentives to member states to advance toward a more efficient and competitive European defense-industrial base. In 2020, the European Defense Industrial Development Program will devote around €500 million to collaborative defense capability endeavors and some €90 million are already being invested in defense research projects. In 2021-2027, the EDF will invest €13 billion (about €1.8 billion per year). The United States has raised concerns about the difficulties for third-party participation in the EDF (as in PESCO), arguing that such barriers could undermine the integrity of the transatlantic defense market.[18]

The broader question, however, is to what extent the European Commission's efforts on the defense-industrial front are grounded in a common political-strategic vision about the future of European defense. This is problematic within the EU framework, not least as the failure to give the high representative for foreign affairs and security policy a pivotal role in the EDF decision-making progress will only serve to aggravate the decoupling between the industrial aspects of European defense and the politico-strategic ones. Some measures have been adopted to ensure some interface between the two, such as placing the European Defense Agency at the center of the CDP, CARD, and PESCO processes, allowing it to act as a transmission belt to ensure that the EU's industrial and technological priorities are capability-based, and thus strategy-based. Yet, as long as the European Commission remains in control of allocating the EDF's money, there is no guarantee that funding decisions will be made on the basis of strategic considerations.

The problem of an industrial-strategic gap in European defense transcends intra-EU bureaucratic rivalries, and even the EU itself. To the extent that the key challenge is great-power competition and deterrence, the real decoupling between the industrial and strategic aspects of European defense is the

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14 See, for example, Claudia Major, The Role of Capabilities in the Transatlantic Defense Relationship, Carnegie Europe, October 30, 2019.

15 See Corentin Brustlein and Luis Simón, 'Battle Ready? Preparing European Military Forces for a More Competitive Environment', in Corentin Brustlein (ed.), Mutual Reinforcement: CSDP and NATO in the Face of Rising Challenges, Institut français des relations internationales, October 2019.

16 NATO, NATO Defense Planning Process.

17 Participating States, 'Notification on Permanent Structured Cooperation (PESCO) to the Council and to the High Representative of the Union for Foreign Affairs and Security Policy,' Brussels, November 13, 2017.

18 Daniel Fiott, The Poison Pill: EU Defence on U.S. Terms?, European Union Institute for Security Studies, June 2019.

one between the EU and NATO. Since the growing importance of deterrence and defense underline NATO's centrality to European security, strengthening the connection between the EDF, the CDP, and the NDP is critical to redress the existing gap between the technological-industrial and strategic aspects of European defense.

Conclusions and Recommendations

The key challenge for EU-NATO relations is to grapple with the return of great-power competition globally and in Europe.

An Informal EU-U.S.-NATO Dialogue on China.

Neither the EU nor NATO—nor their relationship—can escape the challenge of the competition between the United States and China, which is rapidly consolidating as a structuring feature of international politics. On the one hand, NATO has begun to show increasing interest in the implications of China's geostrategic rise for European security and transatlantic relations. On the other, the fact that the interface between technology, industrial policy, and trade and investment appears to be the main front of Sino-American competition underscores the potential of the EU as an autonomous international actor, given its ample and exclusive competences in trade, industrial policy and investment, and technological regulation.

This calls for a more structured dialogue between the EU and the United States. However, insofar as the challenges associated with China transcend the trade-industry-technology nexus, and the EU still suffers from important gaps in the area of security and defense, Western leaders should perhaps consider an informal trilateral EU-U.S.-NATO dialogue on China. Such a forum would not only help bring together the economic, technological, and security aspects relating to China's rise (which should not be separated), but also contribute to the bridging of possible differences between the EU and the United States. It would also

help give the European debate on China a strategic and transatlantic anchor.

Countering Hybrid Warfare

The EU-NATO relationship must also grapple with the return of great-power competition in Europe itself, especially given an increasingly assertive Russia. In recent years, there has been important progress in EU-NATO cooperation in countering hybrid warfare, perhaps best illustrated by the establishment of the European Centre of Excellence for Countering Hybrid Threats in 2016, located in Helsinki.[19] Arguably, the ambiguity surrounding "hybrid warfare," the fact that it straddles the military and non-military domains, and its association with low-intensity combat makes it a prime candidate as a sphere for EU-NATO cooperation.[20] Yet, this is only one part of the broader competition between the West and Russia.

Military Mobility

From an operational viewpoint, the EU's confinement to external crisis management precludes a direct and structured cooperation with NATO in defense and deterrence proper. But there are still some ways in which the EU can contribute to strengthening deterrence in Europe. One is in the sphere of military mobility, since ensuring that European troops can move freely and quickly across the continent is key to NATO's plans to reinforce Eastern Europe in a Russia-related contingency. This is an area in which the EU can add much value. In addition to the launch of a PESCO project on military mobility in 2018, the European Commission published a military mobility plan in 2018 and allocated a total of €6.5 billion to military mobility in its Multiannual Financial Framework for 2021-2027. It is therefore no wonder that military mobility has been identified as one of the key items of EU-NATO cooperation, as illustrated by the formulation of common requirements by the two institutions.

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19 See, for example, Joint Declaration on EU-NATO Cooperation, June 12, 2016.

20 See, for example, Antonio Missiroli, From hybrid warfare to "cybrid" campaigns: the new normal?, NATO Defense College, September 18, 2019.

Capability Development and Defense-Industrial Planning

Hybrid threats and military mobility are low-hanging fruit; EU-NATO cooperation in those areas is well in motion, and further progress can help deliver meaningful results for European security. However, the litmus test for the EU-NATO relationship will be the ability to strike a coherent dialogue to make sure that European countries have the capabilities needed to strengthen deterrence. This requires a more structured relationship between NATO and the EU in the areas of capability development and defense-industrial planning, in order to close the gap between the strategic and industrial-technological pillars of European defense. One way to strengthen this connection would be to give the EU's high representative for foreign affairs and security policy observer status in the NDPP process, while strengthening his decision-making position within the EDF. His potential to act as a bridge between the European Commission, External Action Service, and the European Defence Agency, as well as his link with the European Council, places the high representative in an ideal position to reinforce intra-EU and NATO-EU coherence in defense.

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