FACING WAR: RETHINKING EUROPE'S SECURITY AND DEFENCE

edited by **Serena Giusti** and **Giovanni Grevi**
introduction by **Paolo Magri**

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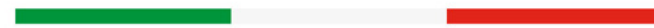

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Introduction

European security has made some important strides since becoming part of the EU remit in 1992. However, three decades after its first foray, it remains an incomplete project. Nowhere has this been easier to see than in the EU's response to the Ukraine crisis.

As with many other crises of the recent past, Russia's invasion of Ukraine elicited a common response from EU Member States. In fact, even more than during other crises, countries found a common ground very fast, in just a few days and weeks after February 24th. It took Eurozone countries months, and often even years, to agree on a number of common tools to lower the risk of repeating another debt crisis, and to improve their resilience in the face of a new one (2011-2014). During the worst phases of the Covid-19 pandemic, it took EU countries months of negotiations to agree on a common fund to support the post-pandemic recovery, leading to the first-ever issuance of common EU debt. On this regard, it could be said that the EU's response to Russia's invasion was exceptional: it came swiftly, and it remained strong and balanced throughout the first months. For instance, harsh sanctions against Russia were approved in (so far) eight rounds. This was not to be taken for granted, given that approving sanctions at the EU level requires unanimity between its 27 Member States, and that some of them were less keen than others to undermine their longstanding relationship with Moscow.

As with many other crises, however, such a communion of intent soon started to fade. Divergences re-emerged between members who wanted to do more (Poland and the Baltic countries, among others), those who preferred to tread more carefully (for example, Germany and Italy), and outright Moscow allies (Hungary). For months, those very negotiations over European sanctions have had to face stiff opposition from Hungary and a few other sceptical countries, and have been progressively softened in order to be approved by the 27.

Pledges to strengthen the EU common defence's industrial base by developing "European" weapons systems are also in a wobbly position. On the one hand, in early October the French President Emmanuel Macron and Germany's Chancellor Olaf Scholz called the heads of their respective defence industries to unblock work on the Future Combat Air System (FCAS) programme, which should aim to build a common European aircraft by 2040. On the other hand, however, on the same month Germany and another 13 countries announced the "European Sky Shield Initiative": the joint acquisition of an air and missile defence shield to be composed by German, American and possibly Israeli systems. By doing so, they angered France, which voluntarily remained outside the project, as it was developing its own shield with Italy. Moreover, since the 2021 botched withdrawal from Afghanistan, President Macron had been advocating for strengthening Europe's "strategic autonomy" – surely difficult to do by relying on US-made weapons systems. In a nutshell, as Serena Giusti puts it in her opening chapter, "whereas the EU has converged on common positions and actions (e.g. numerous packages of sanctions) against (…) the Russian Federation, it has so far failed to boost integration in security and defence".

This Report is an attempt to take stock of the state of Europe's security in the wake of Russia's invasion of Ukraine. As it appears that the conflict is going to drag out for several more months or even years, it appears to have become part of a new state of affairs in the Continent, and it is therefore important to

ask how countries are responding to this new reality. Moreover, even if the conflict ended in a ceasefire, grand bargain, or the victory of one of the parties, the very fact that President Putin decided to invade the country will continue to have a profound impact on how European governments perceive their own security.

This is the central question of Fabrizio Coticchia's chapter: whether we can define the war in Ukraine a turning point for EU foreign and defence policy. While it may be too early to answer this question properly, Coticchia outlines the implications of the conflict in Ukraine for the development of EU defence policy, emphasising especially the novelties and obstacles therein. In particular, the chapter focuses on the two never-ending problems that hinder the attainment of a proper EU defence: capabilities and coherence, while delving deeper into the potential transformation of the defence policy of two specific EU countries: Germany and Italy.

The following chapter focuses on one of these two vexed questions: joint capabilities. Efforts to promote defence integration appear to have increased after Russia's invasion. However, due to the previous record of failed EU initiatives in the military sector, Andrea Locatelli investigates whether these renewed efforts are doomed to follow the same path, or whether they will eventually change the security landscape of the continent. Specifically, Locatelli focuses on the goals, strategies and likely impact of the current initiatives on the European Defence Technological Industrial Base (EDTIB) – i.e. the complex web of infrastructure, institutions, and ideas that convert state resources into the means of warfare.

Following along these lines, Sven Biscop argues that, even after the Ukraine invasion (and possibly even more so) Europe needs a proper and autonomous security and defence policy, that remains distinct from NATO's. At the same time, the EU should focus on a number of goals included in its Strategic Compass, and that are not NATO's "core business": crisis management, hybrid threats, and capability development. An

interesting development is a *de facto* "Europeanisation" of the European theatre for NATO forces, with the core of NATO's New Force Model being 300,000 European troops in a state of high readiness. According to Biscop, defence efforts of the EU Member States, and of NATO, would not collapse if the EU terminates its defence efforts. Yet, national and NATO decision-makers should acknowledge that, without the assistance of the EU's instruments, the European defence effort will never be integrated to a significant degree.

This is also why the uneasy EU-NATO partnership deserves a standalone chapter, by Nicolò Fasola and Sonia Lucarelli. It is only obvious that Russia's invasion of Ukraine reasserted NATO's significance for European security, putting ideas about the Alliance's obsolescence to rest. So far, the EU and NATO have managed to work jointly (or, at least, in non-contradictory terms), capitalising on the gradual, growing interconnection they have facilitated over the last two decades. According to the authors, the current international context offers a unique opportunity for stepping up this partnership even more, to the benefit of Europe's security and defence. Rather than decoupling, the EU should find its place next to the Western military alliance, as the best place to manage non-military responses to Russia's aggression.

In the next chapter, Antonio Missiroli addresses a specific question: how has the EU's cyber security approach changed since Russia's invasion? His response seems to point at the fact that a change has occurred, and that it entails EU-NATO coordination, as no actor can efficiently develop cyber resilience and defence capabilities on their own. Still, Missiroli argues, it is precisely among EU members that more needs to be done – for instance, in the framework of Permanent Structured Cooperation (PESCO), where cyber-relevant projects are few and of limited scope – in order to upgrade the bloc's own collective ability to operate and collaborate credibly with more capable partners.

After cybersecurity and defence, Daniel Fiott moves to consider the matter of space defence. According to the author, one cannot think of EU strategic autonomy or sovereignty without first achieving autonomy in space. This is why space has arguably witnessed the clearest material realisation of the concept of strategic autonomy. Indeed, today the EU can boast of autonomous space capacities that help enable global positioning (Galileo) and monitoring (Copernicus). In a context where other strategic actors are rapidly increasing their presence in space, Fiott asks how the EU will meet this challenge through its space-defence outlook and the capabilities it is developing.

Finally, Giovanni Grevi asks whether European defence after Russia's invasion of Ukraine is poised for a quantum leap, or to fall in a limbo. What is sure is that the war has shaken Europeans out of the complacency that had long surrounded and stifled their approach to European security and defence. However, whether or not a paradigm shift is emerging for European defence depends on the extent to which European strategic cultures are converging, on collaboration among Europeans in generating new military capabilities, and on the role that Europeans will be willing to play to uphold their own security. Overall, according to Grevi, the experts who contributed to this report sense a moment of opportunity to foster cooperation on security and defence issues within the EU. However, they underscore the enduring systemic challenges facing the EU defence agenda, and withhold their judgment on prospects for the "quantum leap forward" advocated by the Strategic Compass in March 2022.

Paolo Magri
ISPI Executive Vice President

1. EU Security and Defence Policy in a Volatile Context

Serena Giusti

The war in Ukraine has accelerated processes that were already in place and has manifold implications. The international system is now under reconfiguration and is populated by a plethora of formal and informal actors who rely on a variable mix of sources of power; it is thus unstable and fluid. Whereas the EU has converged on common positions and actions (e.g. numerous packages of sanctions) against the aggressor, the Russian Federation, it has so far failed to boost integration in security and defence, launching instead disparate programmes or initiatives. Temporary agreements and actions are failing to turn into structural policies, which instead require a gradual and tortuous process of ceding sovereignty and control over sensitive issues. The greatest hurdle to the integrationist approach is that security and defence are at the core of any country's sovereignty, as direct emanations of what countries tend to define as their national interests.[1] As Hoffmann underlined at the beginning of the European construction process,

> in areas of key importance to the national interest, nations prefer the certainty, or the self-controlled uncertainty, of national self-reliance, to the uncontrolled uncertainty of the untested blender; ambiguity carries one only a part of the way.[2]

[1] On the relevance of national interest to politics see S. Giusti, *The Fall and Rise of National Interest: A Contemporary Approach*, London, Palgrave Macmillan, forthcoming 2022.

[2] S. Hoffmann, "Obstinate or Obsolete? The Fate of the Nation-State and the

These policies are therefore not easily transferrable to an entity such as the EU, even when there is an extraordinary and alarming external threat that some members, like Poland, Finland and the Baltic states, see as existential.

Polarised Politics

The difficulty in establishing common views and triggering joint action in defence matters cannot be seen in isolation from broader trends in EU politics. It is instead part of a larger shift towards increasingly polarised political party systems in most EU Member States, and towards the contestation of many of the EU's most salient choices.

Postfunctionalist research has revealed the increasing politicisation of issues within the EU, caused by harsh and divisive debates during elections and referendums. The preferences of the general public, channelled through political parties and other levels of political engagement, have become decisive for European policy outcomes, and identity politics has become critical in shaping discourse around Europe.[3] What has consequently emerged in recent years is a form of integration without supranationalism: intergovernmentalism prevails, with states trying to present their own viewpoints and opting for unanimous decision-making.[4] As Franchino and Mariotto put it, "Once an issue becomes politicised, public dissensus restricts governments' room to manoeuvre, making them less inclined to relinquish sovereignty and even tempted to rein in lost control".[5]

Case of Western Europe", *Daedalus*, vol. 95, no. 3, 1966, pp. 862-15.

[3] L. Hooghe and G. Marks, "A Postfunctionalist Theory of European Integration: From Permissive Consensus to Constraining Dissensus", *British Journal of Political Science*, vol. 39, no. 1, 2009, pp. 1-23.

[4] S. Fabbrini and U. Puetter, "Integration without supranationalisation: studying the lead roles of the European Council and the Council in post-Lisbon EU politics", *Journal of European Integration*, vol. 38, Issue 5, 2016, pp. 481-95.

[5] F. Franchino and C. Mariotto, "Polticisation and economic governance design", *Journal of European Public Policy*, vol. 27, Issue 3, 2020, p. 464.

Consequently, the actions of polarised and populist parties and the diffusion of identity politics have constrained states into narrow paths, making it harder to foresee a truly European perspective, or in any case to implement it accordingly.

Such a trend also emerged during the most decisive phases of the pandemic. After an initial phase of confusion and uncertainty, the European Commission took a common approach to secure vaccine supplies and facilitate their distribution, but at the same time Member States continued to adopt an ample spectrum of policies in order to fight the Covid-19 virus. It took a great political and diplomatic effort to reach an agreement on the NextGenerationEU temporary recovery instrument worth more than €800 billion to help repair the immediate economic and social damage brought about by the coronavirus pandemic. Despite this success, the pandemic did not become a critical juncture in terms of boosting further integration in health policies, which are still settled at national level.[6]

The case of the war in Ukraine is not likely to be an exception to the track record of Member States struggling to find a consensus on major leaps forward in European integration. What we are witnessing is rather the emergence of a number of initiatives which are not necessarily going in the direction of further integration; they amount only to strategies, programmes, and portions of policies that can be certainly strengthened and deepened, but do not lead to an overall strategic vision driving the EU's foreign, security and defence policy. The result is a constellation of forms of cooperation and action which might undermine the coherence and effectiveness of the strategic approach that circumstances require.

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[6] On the concept of critical junctures see G. Capoccia, "Critical Junctures", in K.O. Fioretos, T.G. Falleti, and A.D. Sheingate (Eds.), *The Oxford Handbook of Historical Institutionalism*, Oxford, Oxford University Press, 2016, pp. 89-92.

Joining Forces: The Strategic Sovereignty Debate

Acknowledging the multiple forms of cooperation and even integration existing under the guise of "multi-speed Europe" or "variable geometry" integration, President Macron of France has called for innovation rather than predefined formats in order to promote common views and strategies.[7] His proposal concerns the selection of certain strategic domains – security, privacy, artificial intelligence, data, the environment, industry and trade – in which Member States share common interests and concerns and that are also closely related to security and defence. The concept of strategic autonomy and strategic sovereignty could be pivotal in the gradual construction of a composite security and defence policy with innovative programmes, along with intergovernmental cooperation and complementarity with NATO.

When, in August 2021, the US decided to withdraw its troops from Afghanistan without consulting its European allies, the question of the EU's strategic role in a broader geopolitical landscape became prominent. Debate on this matter had already appeared in the 2016 EU Global Strategy, which defined the Union's "strategic autonomy" as the ability "to act autonomously when and where necessary and with partners wherever possible". The idea was later revamped by French President Emmanuel Macron in his Sorbonne speech in 2017.[8] He defined European strategic sovereignty as the collective ability to defend Europe's interests in security, privacy, artificial intelligence, data, the environment, and industry in a strategic way. However, there has always been a certain confusion between strategic autonomy and strategic sovereignty. Whereas strategic autonomy refers to security and defence and hints at the possibility that the EU could become less dependent on the decisions or assets of other countries when acting in the

[7] M. Macron, Speech on new Initiative for Europe, Initiative for Europe, Sorbonne Speech, 26 September 2017.

[8] Ibid.

field of foreign policy, the concept of strategic sovereignty deals with the EU's capacity to manage certain strategic policies in a coordinated way. As a result, strategic sovereignty is about rethinking interdependencies in trade and critical supplies, reframing strategic partnerships and sustaining a multilateral order open to cooperation.

Strategic sovereignty has the potential to become a central narrative for further development of the EU following the war in Ukraine. Firstly, to support Ukraine, the EU has mobilised a substantial number of military, financial and humanitarian resources. Secondly, the EU's dependency on energy from Russia has clearly highlighted the weakness of the organisation in its susceptibility to blackmail, and the imperative need to reduce its vulnerability to the weaponisation of energy and other flows. While imposing sanctions and providing military equipment to Ukraine, the EU is nevertheless still sending money to Moscow in exchange for energy.

Acknowledging contradictions and weak points in the EU's responses to crises and global challenges, the Versailles Declaration (11 March 2022) strengthened the idea of European strategic sovereignty. The concept of strategic sovereignty would require reducing the EU's dependencies while planning a new growth and investment model that can be implemented through three key dimensions: a) bolstering the EU's defence capabilities; b) reducing energy dependencies; and c) building a more robust economic base. The concept of strategic sovereignty seems to incorporate the idea of a more autonomous and emancipated polity that opts to develop strategic thinking in some crucial policies, with Member States gradually deciding to renounce aspects of their sovereignty for the sake of jointly advancing their interests in a more competitive world. For that to occur, however, they would need to rework the very concept of sovereignty and find innovative ways to integrate national perspectives and practices in a European vision when dealing with selected, strategic policies.

A New Compass for European Defence?

The EU's Strategic Compass (SC) for Security and Defence (21 March 2022) could help develop a coherent and robust security and defence policy, complementing the 2016 Global Strategy and the 2018 Integrated Approach to Conflicts and Crises. These two important documents establish guidelines for EU action in its neighbourhood and further afield; they aim to foster resilience and rely on principled pragmatism, partnering with multiple actors operating at different levels of governance, including international, regional, and local actors, to address conflicts and crises.[9] They also envision the EU intervening over prolonged periods of time to manage all dimensions of the conflict cycle, stretching from conflict prevention to peace consolidation.

The SC seems to review this approach somewhat, as it focuses on the higher end of crisis management in challenging environments, facing the question of security by considering all sorts of threats the EU may face. The SC is promoting the development of an EU Rapid Deployment Capacity to "swiftly deploy" a modular force of up to 5,000 troops. The document corroborates the idea that the EU's diplomatic force also needs to be accompanied by a military force. This conception derives from a realistic and pessimistic analysis of the nature of the threats – from traditional military invasions to hybrid cyber-attacks and massive disinformation campaigns[10] – that all actors, including the EU, need to confront, and builds on recent achievements such as the start of the Permanent Structured Cooperation (PESCO) and the progressive consolidation of the Military Planning and Conflict Capability (MPCC).[11]

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[9] On the EUGS see S. Giusti, "The European Union Global Strategy and the EU's Maieutic Role", *Journal of Common Market Studies*, vol. 58, no. 6, 2020, pp. 1452-68.

[10] See European Commission, Joint Framework on countering hybrid threats a European Union response, Brussels, 6 April 2016.

[11] The MPCC commands the EU Training Missions (EUTM) in Mali, Somalia

Certainly, one of the effects of the war in Ukraine has been the strengthening of the EU's relationship with NATO, showing the relevance of both organisations to overall European security. The fact that two previously neutral members of the EU, Finland and Sweden, simultaneously applied to join NATO (18 May 2022) after thorough debates across their societies and with large parliamentary majorities supporting the decision, testifies to a new momentum in EU-NATO relations. The fact that more countries are members of both organisations can help smooth their convergence on certain decisions and enhance their complementarity. Furthermore, the increased number of EU Member States within NATO can help strengthen the European point of view and the prioritisation of European objectives within the alliance.

Re-Shaping a Pan-European Strategic Space

After the presentation of the Strategic Compass for Security and Defence in March 2022, the EU also reconsidered neighbourhood management, which it sees more than ever as a pillar of European security and stability. The promise of membership that proved a powerful tool of foreign policy for the stabilisation of Central and Eastern European countries is not a limitless political resource, however, as it cannot be offered to all neighbouring especially those which are not in the proximity of the EU, at least in the short term, in search of transformation and security. The European Council decision (23 June 2022) to grant candidate status to Ukraine, Moldova and (depending on further reforms) Georgia, is a very important act even in terms of symbolic politics, anchoring these countries' choice of full sovereignty and democracy to the EU. However, effective entry is not imminent.

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and the Central African Republic. On 19 November 2018, the Council agreed to give the MPCC additional responsibility for preparing to plan and conduct an executive military operation of the size of an EU battlegroup.

The European Neighbourhood policy (ENP) and its two corollaries, the Union for the Mediterranean (UfM) and the Eastern Partnership (EaP), have exhibited miscalculations and dysfunctionalities (permanence or return of autocratic regimes, the retreat of democracy in some countries, the persistence of unsettled conflicts, severe economic crises).[12] Partner countries have often considered the EU approach as standardised and not receptive of differences across countries and regions. The so-called civilian and normative power, which permeates EU regional initiatives like the ENP, has been perceived as a paternalistic power founded on the unequal status of the EU and its partners.

The war in Ukraine urges a new approach to reshaping the pan-European space. With remarkable speed, on Europe Day (9 May), Macron launched the European Political Community (EPC) that gathered for the first time in Prague on 6 October 2022. The first summit meeting of the EPC involved forty-four countries, 27 EU Member States and 17 partners, including the UK and Turkey. While it is not yet clear what level of institutionalisation the EPC may reach (so far preference is for a more flexible structure without needless procedural rules), overlap with other pan-European organisations, particularly the Organisation for Security and Co-operation in Europe and the Council of Europe, should be avoided. The idea is to create a regular forum for leaders on the European continent to come together outside EU structures. At twice-yearly meetings they would discuss not just the crises of the moment, from war to energy, but broader geopolitical challenges in the face of actual threats from Russia and presumed ones from China. The summit was split into different "streams", one on energy and climate, the other on security and peace: no formal conclusions were issued since the aim was dialogue rather than decisions.[13]

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[12] See A. Dandashly and G. Noutcheva, "Unintended Consequences of EU Democracy Support in the European Neighbourhood", vol. 54, no. 1, *International Spectator*, 2019, pp. 105-20.

[13] "Meet the brand-new European Political Community", *The Economist*, 6

The EPC could provide another weak framework to keep the EU's neighbours anchored to it. Certainly, it could be used for constituting an anti-Russia conglomerate of states or it could serve as a political forum to discuss the main foreign and security policy issues linking the EU and its partner countries, connected to the agenda of EU summits.[14] Although the functioning, scope and benefits of the EPC are still unclear, its inauguration marks a further step in aggregating states on a more equal level than in other pan-European projects, in response to the critical situation in Ukraine.

A Defining Moment for EU Defence Policy?

These many initiatives, programmes, frameworks, and even the recognition of the candidate status of Ukraine are all significant manifestations in the direction of political ferment and rapidity in reacting to unexpected and violent events. They testify to EU Member States' proclivity to converge and align on strategic decisions. Can the war in Ukraine therefore be considered a critical juncture, capable of producing deep structural changes and transforming the nature of security and defence policies? Critical junctures are related to crises, and refer to an extraordinary period in which institutions have the opportunity to take new and momentous decisions far more easily than in ordinary periods while gaining the support of public opinion. So far, EU institutions have not planned any major shifts in the direction of a truly European common security and defence policy; instead, security policy remains an assemblage of various projects on specific issues, with the risk of lacking coherence. Furthermore, if the war lasts too long and causes not only death and destruction in the territories concerned but also economic recession, social discontent and poverty across Europe, the

October 2022.

[14] The three possibilities have been sketched out by N. Pirozzi, "Realising Europe's geopolitical vocation", *Social Europe*, 14 October 2022.

momentum for accelerating certain projects related to security and defence may vanish rapidly. So will the war in Ukraine prove a critical juncture, or merely an impulse for accelerating programmes and developing new formats without, however, producing any breakthrough plan?

2. A Watershed Moment? European Defence and the War in Ukraine

Fabrizio Coticchia

In her 2022 State of the Union Address, Ursula von der Leyen stated that the Russian invasion of Ukraine represents "a war on our energy, a war on our economy, a war on our values and a war on our future".[1] The President of the European Commission considered the conflict in Ukraine a "watershed moment"[2] that calls for a rethink of the EU foreign policy agenda. Similarly, the German Minister of Defence, Christine Lambrecht, has stressed how "our values, democracy, freedom and security are being defended in Ukraine".[3] Italian Prime Minister Mario Draghi too, addressing the EU Parliament, said that "by supporting Kiev we protect ourselves and the project of democracy and security we built".[4]

Can we actually define the war in Ukraine as a turning point for EU foreign and defence policy? It may be too early to answer this question properly. Yet, we can assess the degree of change in

[1] "2022 State of the Union Address by President von der Leyen", 14 September 2022.

[2] Ibid.

[3] H. Von Der Burchard, "EU security 'being defended in Ukraine': Germany's Lambrecht vows continued support for Kyiv", *Politico Europe*, 11 September 2022.

[4] "Draghi a Strasburgo: l'Ue aiuti e accolga l'Ucraina, serve coraggio su modifica Trattati", *Huffington Post*, 3 May 2022.

European foreign and defence policies since the war started in late February 2022. This paper outlines the implications of the conflict in Ukraine for the development of EU defence policy, emphasising especially the novelties and obstacles therein. The first part of the chapter identifies the war as an exogenous shock to EU security as a whole, illustrating the reaction of the EU and its members to the Russian invasion and the elements that could reveal a new path towards a common defence policy. The second part of the paper underscores the conditions that shaped the European security architecture when the war erupted, focusing on the two never-ending problems that hindered (and still prevent?) the attainment of a proper EU defence: capabilities and coherence. Finally, after investigating the potential transformation of the defence policy of selected EU Member States (Germany and Italy), the chapter examines whether the war has really allowed the EU to develop a new trajectory in the complex search for a supranational defence policy. The conclusion summarises the main findings and provides a general recommendation for the future of EU defence.

The External Shock and the EU Reaction

The Russian invasion of Ukraine was a shock for European security, bringing back almost forgotten features of power politics in the continent: inter-state conflict and war of conquest. For this reason, among others, it is worth asking ourselves whether, after 24 February, European foreign and defence policy is facing a "critical juncture"[5]. In the International Relations literature, a critical juncture refers to a way of altering a (foreign or defence) policy in which an external shock can cause a drastic transformation in this policy, radically changing its course. Does the Russian war against Kiev represent that

[5] On critical junctures see: G. Capoccia and R.D. Kelemen, "The study of critical junctures: Theory, narrative and counterfactuals in historical institutionalism", *World politics*, vol. 59, no. 3, 2007, pp. 341-69.

exogenous shock capable of fostering a real paradigm shift in European defence policy? To answer this question, we need to understand whether the consequences of the conflict will allow Europe to overcome the historical obstacles to the development of an EU defence policy.

Three elements deserve to be highlighted. First, the rhetoric adopted by the EU – as well as by its members (especially the countries that had generally been more reluctant to talk openly about military affairs, such as Germany and Italy) – revealed a significant change. The open calls for "rearmament", and the support for a "military victory on the ground by Ukraine",[6] reflect a narrative that is far removed from decades of discourses on the EU as a "civilian power". In a nutshell, it seems that the EU – in line with the "pragmatism" of its "Global Strategy" and the willingness to behave as a "Geopolitical Commission"[7] – has definitely embraced a foreign policy language that fully includes the military component, which had been disregarded by Brussels for decades.

Second, the EU has proved united in its response to Russia, adopting a series of new sanctions against Putin's regime (and also against Belarus)[8] while using the European Peace Facility (EPF) to support EU Member States' supplies of military equipment to Kiev.[9] Thus, "for the first time in its history, the EU is now using a dedicated, although off-budget, tool to finance – but not to deliver, with that responsibility falling on Member States alone

[6] Draghi affirmed that Italy and the EU should "rearm". Mario Draghi, European Council, 25 March 2022. The High Representative of the EU, Jospep Borrel, stated that "Ukaine must win the war on the ground". See "Borrell: Ucraina vincerà guerra sul campo", *Adnkronos*, 9 April 2022.

[7] See L. Bayer, "Meet von der Leyen's 'geopolitical Commission'", *POLITICO*, 4 December 2019.

[8] Sanctions include targeted restrictive measures (individual sanctions), economic sanctions and diplomatic measures. For additional details see: European Council, EU sanctions against Russia explained.

[9] At the time of writing (September 2022) the EU contribution under the EPF for Ukraine is around €2.5 billion. See: European Council, Press release, "European Peace Facility: EU support to Ukraine increased to €2.5 billion", 22 July 2022.

– lethal military equipment to a third country".[10] Moreover, European countries sent military equipment to Ukraine on a bilateral basis too. Such novelties, along with the decision to support several packages of sanctions despite their costs for the EU Member States' economies, show the considerable degree of commitment by Brussels in the war in Ukraine. This evolution does not occur in a "vacuum". Indeed, the EU has taken important steps in recent years towards the development of its defence policy, such as the Permanent Structured Cooperation (PESCO), the European Defence Fund (EDF) and the brand new Strategic Compass (the White Book of the EU Defence). Exploiting the opportunities provided by the Lisbon treaty, following the Russian annexation of Crimea in 2014 and Brexit, and in view of the growing US interest towards Asia, EU Member States decided to devote more resources to industrial defence projects, developing common initiatives and adopting a new governance framework to enhance Europe's strategic autonomy.[11] The Strategic Compass (2022),[12] which aims to guide further development of the EU defence agenda, focuses on issues such as the EU Rapid Deployment Capacity, the sharing of intelligence assessments among members, enhancing joint defence procurement and empowering the "Military Planning and Conduct Capability" (MPCC). According to some authors, the Compass "represents the willingness of 27 countries with different strategic cultures to better coordinate, invest in capacity building, and partner with international organisations […] knowing that a secure environment is crucial for European security".[13]

[10] B. Bilquin, "Russia's war on Ukraine: The EU's financing of military assistance to Ukraine", European Parliamentary Research Centre, 11 March 2022.

[11] On the EU strategic autonomy see, among others: D. Fiott, "Strategic autonomy: towards 'European sovereignty' in defence?," European Union Institute for Security Studies (EUISS), 2018.

[12] European Union External Action (EEAS), A Strategic Compass for Security and Defence.

[13] A.G. Rodriguez, "EU Strategic Compass: The Right Direction for Europe?", ISPI Commentary, 16 June 2022.

Third, all the European countries started to perceive Russia and its revisionist policy as a clear threat to their national security. In fact, even after the Ukraine crisis in 2014, some Member States (especially in the southern part of the continent) did not share the same level of concern as the Baltic states and Central and Eastern European countries regarding Moscow. However, after the Russian invasion of Ukraine in 2022, change appeared to be under way both in the positions of individual governments and at the level of public opinion.[14] Italy, for example, further enhanced its military presence in the Eastern flank in 2022, providing military assistance and adopting harsh sanctions, despite its dependence on Russia for the import of natural gas. After years of reluctance, several EU Members States decided to enhance military spending towards the goal of 2% of GDP. For example, Chancellor Olaf Scholz, addressing the Bundestag on 27 February 2022, announced the creation of a €100 bn special defence fund to modernise Germany's military capabilities, stating that Berlin would increase its military spending beyond 2%[15]. Scholz stressed that the war in Ukraine represented a *Zeitenwende*: a historical turning point for German and European defence.

In sum, the EU has made (before and at the beginning of the Russian invasion of Ukraine) some progress on the tortuous path towards an EU defence policy. Thus, the external shock of the war has further shaped a European political scenario that was already "under construction" regarding defence policy, after decades of immobility.

To understand whether the EU reaction to the exogenous pressure caused by the conflict in Ukraine described above can lead to further significant changes, it is worth noting that (political, cultural and economic) legacies matter when we assess

[14] See, for instance: M. Vice, "Publics Worldwide Unfavorable Toward Putin, Russia", Pew Research Center, 16 August 2017.

[15] See The Federal Government, "Policy statement by Olaf Scholz, Chancellor of the Federal Republic of Germany and Member of the German Bundestag, 27 February 2022 in Berlin", G7 Germany, 27 February 2022.

the impact of a potential critical juncture on policy change. Strategic choices and specific institutional arrangements adopted over many years must be regarded as "permissive conditions" that define the scope for future developments. In other words, path-dependent mechanisms[16] – for the EU and its members – should be taken into account in order to comprehend the possible extent of defence policy change after the shock of the war. Against this background, we will consider the two main long-standing obstacles along the path of European defence policy: coherence and capabilities.

Enduring Obstacles: Capabilities and Strategic Cacophony

European strategic autonomy could be conceived in different ways: from greater military commitment in defence and security affairs by EU members to real autonomy from the US and the Atlantic Alliance.[17] Yet, to guarantee the possibility of planning and undertaking military operations across the whole spectrum of conflicts, as well as providing territorial defence (as NATO does), it would be necessary to acquire new advanced military capabilities while finally enhancing coherence among its members. In this connection, we should emphasise two aspects. First, the existing gaps in European military capabilities – from available tanks and troop transport vehicles to the advanced military technology that recent operations have shown to be lacking (air refuelling, suppression of enemy air defences, and C4ISR – command, control, communications, information technology, intelligence, surveillance and reconnaissance capabilities) – would require huge investments that would deliver over a considerable timespan, partly due to the fragmented European defence industry. Indeed, EU

[16] J. Mahoney, "Path dependence in historical sociology", *Theory and society*, vol. 29, no. 4, 2000, pp. 507-48.
[17] Fiott (2018).

Members States (among which only France is a nuclear power) – despite the recent development in fostering joint programmes – have systematically favoured national production or off-the-shelf purchase (i.e., military material already available on the market) over intra-European cooperation.[18] On the whole, addressing such gaps requires significant time and resources. For this reason, communication to engage public opinion on these issues should be more transparent, developing an effective strategic narrative if the EU wants to really sustain such efforts, especially in a period of economic crisis.

Second, "strategic cacophony"[19] – an expression that illustrates divergent threat perceptions and national strategic priorities among Member States – constitutes the other crucial obstacle on the trajectory of EU defence. For instance, Italy, Spain and Greece have focused on the Mediterranean as the vital area for their interests, while Eastern European countries have traditionally devoted their attention (and concern) mainly to Russia. Therefore, the construction of a coherent defence policy at the EU level requires such differences to be overcome. The creation of a shared EU foreign policy is clearly the necessary premise to address these divergences, paving the way for a common path in defence policy.

In sum, the question is whether the external shock caused by the war in Ukraine as well as the above-mentioned EU reaction reveal some tangible possibilities to finally surmount EU pitfalls in terms of coherence and capabilities.

Only a very preliminary assessment can be made in answering this question, due to the very limited timespan under consideration and the uncertain evolution of the ongoing conflict on the ground. Yet, as illustrated in the following section, it seems that (self-reinforcing) traditional

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[18] On this point see F. Coticchia and H. Meijer, "La politica di difesa italiana nel nuovo quadro europeo", *Il Mulino*, no. 2, 2022, pp. 96-106.

[19] H. Meijer and S.G. Brooks, "Illusions of Autonomy: Why Europe Cannot Provide for Its Security if the United States Pulls Back", *International Security*, vol. 45, no. 4, 2021, pp. 7-43.

obstacles along the EU defence path have maintained their enduring relevance. The legacy of the post-Cold War era within the EU, which lacked a common defence policy for decades, surely cannot vanish in a few months but appears, rather, to shape further development even in the aftermath of a potential critical juncture such as Russia's attack on Ukraine.

The War in Ukraine as an Actual "Watershed Moment"?

As seen above, the EU reacted strongly to the Russian invasion of Ukraine, adopting new sanctions and providing military support to Kiev, while crafting a new narrative more in line with the aims of a "geopolitical commission" than with the rhetoric of the European Union as a civilian power. Moreover, EU Member States started to change their foreign and defence policies to better address the threat posed by Moscow, which reintroduced the "war of conquest" in Europe.[20] Finally, countries that have traditionally been reluctant concerning military affairs – such as Germany – conceived the Russian invasion as a turning point for their foreign and defence policy.

It is worth asking ourselves whether all these (significant) developments are enough to be confident that the problems of coherence and capabilities for EU defence policy will be addressed in the short term. So far, the record offers little cause for optimism.

In this respect, three elements deserve to be emphasised. First, the war in Ukraine has not solved the problem of "strategic cacophony". The growing perception of Russia as a threat across the EU, and its implications, should be understood by considering that before February 2022 many countries in Western and Southern Europe (e.g., Italy, at the level of both

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[20] On this point see: T.M. Fazal, "The return of conquest. Why the future of Global Order Hinges on Ukraine", *Foreign Affairs*, vol. 101, no. 3, May/June 2022, pp. 20-27.

governments and public opinion) simply did not perceive Russia as a security concern. While increased concern about Russia therefore marks a significant change, such amplified apprehension over Moscow's aggressive and imperialistic policy has not altered the hierarchy of national strategic priorities for all EU countries, with Eastern European EU Member States devoting more than ever all their "attention" to Moscow. Surely, the threat posed by Putin climbed the ranks in the assessments of the biggest challenges facing European states. Yet, for some countries, Russia has not become the main preoccupation even after February 2022. Looking at Italy, for example, the "Eastern Flank" – despite Italy's enhanced military commitment there – did not replace the "Enlarged Mediterranean" as the vital strategic priority within Italian national defence planning. The renewal of military missions in the region, public speeches and documents by the Draghi government, and new diplomatic missions, demonstrate the persisting importance of the "Southern front" for Italy. The new Italian defence strategy for the Mediterranean,[21] which was published several months after the Russian invasion of Ukraine, confirmed the "Enlarged Mediterranean" as the crucial area for Italian interests, from securing energy supplies to countering terrorism and illegal migration. It is also worth noting how all the election manifestoes of Italy's political parties and coalitions shared the same views on the "Enlarged Mediterranean", perceived as the crucial region for Italian foreign and defence policy. Moreover, the consequences of the war indirectly increased the significance of the Mediterranean, from searching for alternative energy sources to growing concerns about the presence of the Russian Fleet not far from Italy's shores.[22]

Second, the salience of the "Eastern Flank" strengthened NATO's presence in Europe. The growing military involvement of European states along the Ukrainian border occurred mainly

[21] See Ministero della Difesa, Strategia di Sicurezza e Difesa per il Mediterraneo.

[22] See G. Di Feo, Intervista all'ammiraglio Cavo Dragone: "Così la marina ha respinto le navi russe nell'Adriatico", *La Repubblica*, 20 August 2022.

through NATO – and not EU – deployments and frameworks, still crucial for deterring Moscow. After some difficult years for the Atlantic Alliance – with Trump's criticisms and Macron's strong words on the "brain death" of NATO – the Russian invasion renewed its strategic centrality. European members swiftly provided their military contribution to new deployments while the US also diverted resources and personnel from their "Pivot to Asia" to fostering deterrence in Europe faced with the rising Russian threat. Moreover, the perception (shared by Germans and Italians) of EU strategic autonomy as an asset within the broader Transatlantic Alliance, rather than a trajectory of greater European independence in defence and security (as mainly advocated by France, which seeks to play a guiding role in European defence policy), has been reinforced by the dramatic events that occurred after late February 2022.

Third, the conflict in Ukraine highlights the never-ending problem of military capabilities. Boosting national defence spending – without proper coordination at the EU level – could paradoxically exacerbate intra-European divisions, with individual states following diverging trajectories (with some investing in territorial defence capabilities while others invest in crisis management, for example) and – above all – acquiring military assets "off-the-shelf". In fact, the feeling of urgency can lead some national governments to invest in existing capabilities (such as Germany replacing its Tornado fleet with F-35 fighters), thus reinforcing dependence on the United States and delaying joint projects – which require time – within the EU framework. Finally, despite announcements and promises of greater military commitment, states should first of all confront the actual pitfalls in their defence policies: the limited number of assets that can be provided to Ukraine, [23] unbalanced budgets as an enduring legacy of the Cold War

[23] On Germany see: T. Bunde, "Lessons (to be) learned? Germany's Zeitenwende and European security after the Russian invasion of Ukraine", *Contemporary Security Policy*, vol. 43, no. 3), 2022 pp. 516-30. See also: K-H Röhl, H. Bardt, and B. Engels, "Zeitenwende für die Verteidigungswirtschaft? Sicherheitspolitik

era (with limited scope for new investments due to the vast resources devoted to personnel),[24] and poor interoperability among services at national level. These problems are still shaping the development of the defence policies adopted by the EU Member States and will not evaporate in the short-term.

Conclusion

The war in Ukraine will affect the future of European security. Yet, it is too early to assess whether the shock of the conflict really represents the watershed moment that will foster a process of radical change for EU defence. However, as illustrated above, the prospects for overcoming long-standing obstacles to European defence – a lack of advanced capacity and strategic cacophony – do not appear to be particularly significant at the moment. Therefore, rather than the wishful thinking that sometimes marks the debate on the "EU army", a pragmatic communication and strategic reflection should be promoted at the national and European level, discussing further innovation with realism, taking into consideration all the potential costs and benefits associated with the future of European defence. The communication efforts related to the publication of the "Strategic Concept", which aimed to draw a clear distinction between the need for EU Member States to integrate their capabilities and dreams of an "EU army", reveals a prudent attitude that ought to be developed in the years ahead, along with a more compelling narrative on European defence and security. A well-structured and convincing discourse on this issue would be crucial to attract the support of public opinion, which – even after years of mounting Euroscepticism – has

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und Verteidigungsfähigkeit nach der russischen Invasion der Ukraine", *IW-Policy Paper*, no. 4, 2022, Berlin/Köln.

[24] On Italian military budget see: F. Coticchia and F.N. Moro, *The Transformation of Italian Armed Forces in Comparative Perspective. Adapt, Improvise, Overcome?*, London, Routledge, 2015.

always viewed positively the development of EU defence.

The exogenous shock of the Russian invasion of Ukraine has certainly produced some conspicuous changes, but only a broader transformation of EU foreign policy can foster a real evolution. The coming into office of new governments (in Europe and beyond), a possible new drive to amend the EU treaties, and potential future external shocks, are all elements that can shape the trajectory of EU foreign and defence policy. Above all, after the end of the "permissive consensus" towards the EU and the success of Eurosceptic parties, Brussels should avoid the devastating mistake of not constantly involving European public opinion in its projects of reform to acquire strategic autonomy.

3. EU Defence: Joint Capability Development

Andrea Locatelli

Since 2016, the European Union has displayed a strong commitment to promoting defence integration. These efforts have been further strengthened after Russia attacked Ukraine in February 2022. Due to the previous record of failed EU initiatives in the military sector, it is worth investigating whether these renewed efforts are doomed to follow the same path, or whether they will eventually change the security landscape of the continent. The aim of this chapter, then, is to focus on the goals, strategies and likely impact of the current initiatives on the European Defence Technological Industrial Base (EDTIB) – i.e. the complex web of "infrastructure, institutions, and ideas that convert state resources into the means of warfare".[1]

The European Defence Technological Industrial Base at a Glance

To this end, it is first necessary to outline the main features of the EDTIB. Indeed, the very idea of a "European" base is somehow exceptional, since traditionally defence markets have been nationally defined. Put simply, since the Armed Forces

[1] V. Briani et al., *The Development of a European Defence Technological and Industrial Base (EDTIB)*, Directorate-General for External Policies, Policy Department, 10 June 2013, p. 13.

depended on a regular supply of assets, states (or at least major powers) developed their own industries to procure those assets autonomously. In the case of Europe, however, EU institutions have promoted market integration – a goal now accomplished in many sectors. The Commission has played its cards to set up a single regulatory framework in the defence domain too, although mostly unsuccessfully.[2]

The end result is a fragmented defence market, where states implement procurement policies largely unilaterally, and firms compete unevenly due to barriers and restrictions to free competition. These features can be observed from two different angles: supply (i.e. the defence firms' perspective) and demand (i.e. the Member States' perspective). With reference to the former, the EDTIB includes just two trans-European companies (Airbus and MBDA), plus a number of "national champions", like Britain's BAE Systems, France's Thales and Dassault, Italy's Leonardo and Fincantieri, and Sweden's SAAB, to name a few. The supply side of the market ends up being fragmented, with many small enterprises specialised in niche capabilities and a few (if any) corporations that may aspire to be system integrators.[3]

On the demand side, European states have been notoriously reluctant to allocate adequate resources for their own defence, even more so for R&D-related investments. Particularly after the 2007 financial crisis, as repeatedly lamented in NATO circles, defence budgets have been paltry. As reported by the European Defence Agency (EDA),[4] in the past fifteen years, defence investments were above the 20% threshold of total

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[2] L. Béraud-Sudreau, "Integrated Markets? Europe's Defence Industry after 20 Years", in D. Fiott (Ed.), *The CSDP in 2020. The EU's Legacy and Ambition in Security and Defence*, European Union Institute for Security Studies (EUISS), Paris, 2020, p. 59.

[3] E. Gholz, "Globalization, Systems Integration, and the Future of Great Power War", *Security Studies*, vol. 16, no. 4, 2007, pp. 615-36.

[4] European Defence Agency, "Defence Data 2019-2020. Key Findings and Analysis", 6 December 2021, pp. 6, 8.

defence expenditures only three times (in 2010, 2019 and 2020) – a disappointing record if compared to other major powers like the US and China. Moreover, due to the lack of coordination among EU countries, collaborative procurement and joint Research and Development have represented only a tiny fraction of total defence equipment procurement: in 2020 collaborative procurement reached its lowest level at 11%, and collaborative R&D was only 6%.[5]

So, at least up to the war in Ukraine, European states suffered from tight financial constraints in the defence sector and poor budget allocation. The combined effect of these features resulted in a long-lamented list of duplications, waste and capability gaps. As noted in a plethora of EU documents,[6] compared to the US, EU states procure six times the number of weapons systems – with slightly more than one third of the American defence budget. Apart for the interoperability problem that necessarily arises from such a variety of platforms, there is a financial cost, which according to the most conservative estimates is in the order of €26 billion per year.[7] Finally, Europe depends on the US for critical military assets, like Anti-Access, Area-Denial (AA-AD), next-generation platforms and C4ISR (Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance) capabilities. Due to the technological and industrial complexity of these systems, only an integrated EDTIB would make autonomous production possible at the European level.

[5] Ibid., pp. 11, 14-15.

[6] For a recent summary, see B. Wilkinson, *The EU's Defence Technological and Industrial Base*, Directorate-General for External Policies, Policy Department, 10 January 2020, pp. 4-5.

[7] European Parliamentary Research Unit, "Mapping the Cost of Non-Europe, 2014-19", Bruxelles, 2014, p. 77, quoted in Ibid., p. 5.

EU Initiatives Aimed at Promoting Defence Integration

The issue of achieving a more integrated EDTIB has gained new prominence due to the security concerns created by the war in Ukraine. However, the EU and Member States have launched initiatives aimed at promoting military cooperation since at least the early 2000s.[8] Due to space constraints, we will only focus on the most recent and ambitious efforts.

The so-called 2017 EU defence package, including the Coordinated Annual Review on Defence (CARD), the Permanent Structured Cooperation (PESCO)[9] and the European Defence Fund (EDF), marked an important milestone. Taken together, these three mechanisms were supposed to operate as an almost seamless process: in the first place, CARD had to identify potential areas of cooperation among Member States through a bottom-up approach; then PESCO would provide a legal framework for multilateral cooperation among countries willing to jointly produce common capabilities; finally, the EDF would back up these projects with EU funds. In order to smooth the process, EDA was given a coordinating role (albeit with very limited powers) in all these initiatives.[10] All in all, then, their intended combined effect is to forge a common strategic vision among Member States, to foster capacity building and to strengthen the EDTIB.[11]

The second main initiative that deserves consideration is the so-called Strategic Compass (SC),[12] a doctrinal document

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[8] For an overview, see Béraud-Sudreau (2020), pp. 59-63.

[9] PESCO was originally introduced in 2009 with the Lisbon Treaty, but it had never been activated before.

[10] J. Domecq, *Coherence and focus on capability priorities: why EDA's role in CARD, PESCO and EDF matters*, Real Instituto Elcano, ARI 54/2018, 19 April 2018.

[11] B.O. Knutsen, "A Weakening Transatlantic Relationship? Redefining the EU–US Security", *Politics and Governance*, vol. 10, no. 2, 2022, p. 171.

[12] Council of the European Union, "A Strategic Compass for Security and Defence. For a European Union that protects its citizens, values and interests and contributes to international peace and security", 21 March 2022.

detailing an EU-wide threat assessment, as well as operational goals to improve EU military and civilian capabilities. The SC tackles the issue of EDTIB indirectly, in the investment basket, where it explicitly states that "investing more in collaborative capability development ensures more efficiency by increasing economies of scale and greater effectiveness when acting".[13] In particular, the document stresses the role of PESCO and EDF in critical capabilities, outlining six focus areas[14] that will require joint procurement.

Writing the SC has been a long process that lasted for about two years. Paradoxically, the war in Ukraine made it both timely and in need of further refinement. In fact, ten days before its rollout, it was preceded by the Versailles Declaration, the final communication of the 10-11 March meeting of EU Heads of state or government in Versailles, in which Member States showed a renewed commitment to "resolutely invest more and better in defence capabilities and innovative technologies".[15] In particular, the document stated the EU states' intention to increase their defence budgets, military R&D and collaborative procurement, as well as to strengthen the EDTIB.[16]

The Council also invited the Commission and the EDA to report on the EU capability shortfalls by mid-May – a task which resulted in the publication of the "Joint Communication on the Defence Investment Gaps Analysis and Way Forward" on 18 May. Admittedly, the investment gap analysis section of the document does not add much to the SC. What is more interesting for our purposes is the list of new initiatives to be launched in the coming months: a Defence Joint procurement Task Force to support Member States' immediate procurement

[13] Ibid., p. 30.

[14] These are: Main Battle Tank, Soldier Systems, European Patrol Class surface ship, Anti Access Area Denial capacities and Countering Unmanned Aerial Systems, Defence in Space and Enhanced Military Mobility. Ibid., p. 32.

[15] European Council, "Informal Meeting of Heads of State or Government. Versailles Declaration", Versailles, 10-11 March 2022 p. 4.

[16] Ibid.

needs; a short-term Instrument to enhance joint procurement; an EU Framework for Defence Joint Procurement based on a Commission-led European Defence Investment Programme (EDIP) regulation; and a European Defence Capability Consortium (EDCC) that will benefit from VAT exemption.[17]

Where Next?

The EU has been increasingly concerned by the lack of defence integration. For this reason, the recent wave of initiatives aimed at consolidating the EDTIB should not come as a surprise. What is remarkable, however, is the political capital spent by the Commission in the attempt to drive this process. It is a risky effort that may lead to substantial improvements in terms of capabilities and strategic autonomy, but it could also expose deep divisions among Member States and eventually thwart the whole process. Due to the uncertainty surrounding this process, some considerations on the prospects and likely impact of these initiatives are in order. On balance, there are reasons for optimism, as well as enduring obstacles that might hinder (again) all these efforts. Let us examine them in turn, starting from the novel features that make the initiatives discussed above more promising than the past ones. Two, in particular, deserve mention.

Firstly, the Commission – previously excluded from defence policy – has been particularly careful in crafting a mediating role among Member States. As shown by the EDF (and potentially also by the EDIP and EDCC), it has also built up some prerogatives, like grants allocation. In doing so, the

[17] European Commission, Joint Communication to The European Parliament, the European Council, the Council, the European Economic and Social Committee and The Committee of the Regions on the Defence Investment Gaps Analysis and Way Forward, Brussels, 18 May 2022, pp, 8-13. The short-term instrument has been proposed in July with the European Defence Industry Reinforcement through common Procurement Act (EDIRPA).

Commission has followed a bottom-up approach, portraying itself as a promoter of cooperation at the national level, and carefully avoiding getting on a collision course with Member States. By so doing, it has sought to turn a potentially zero-sum game with (and between) Member States into a cooperative effort, whereby all the partners involved gain more from cooperation than from protectionist procurement.[18] The incentives provided by the Commission, then, are intended to ease the relative gain problem among national capitals,[19] lowering the costs of cooperation and increasing the benefits. For this reason, going forward, if the Commission manages its new-found competence carefully, we might expect the number and relevance of joint procurement programmes to increase.

The second factor that may pave the way for closer defence cooperation at EU level concerns the current international context. The war in Ukraine, as deplorable as it is, has provided an unforeseen rationale for the defence initiatives of the Union and of its Member States. For example, marking a watershed in German recent history, chancellor Scholz declared Berlin's intention to reach the 2% threshold and allocate a €100 bn fund for army modernisation. It should be clear, however, that increased defence budgets do not necessarily mean better allocation. Whether the conflict will have a lasting impact or not in enhancing European defence cooperation remains to be seen. Nonetheless, differently from previous experience, the war today has provided European leaders with a shared, clear and urgent threat assessment: defence and deterrence – previously overshadowed in EU strategic documents – are now recognised as priorities.

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[18] C. Håkansson, "The European Commission's New Role in EU Security and Defence Cooperation: The Case of the European Defence Fund", *European Security*, vol. 30, no. 4, 2021, pp. 589-608; E. Sabatino, "The European Defence Fund: A Step towards a Single Market for Defence?", *Journal of European Integration*, vol. 44, no. 1, 2022, pp. 133-48.

[19] L. Simón, "Neorealism, Security Cooperation, and Europe's Relative Gains Dilemma", *Security Studies*, vol. 26, no. 2, 2017, pp. 185-212.

This assessment provides a stepping stone for the threefold task of determining what capabilities are needed, making Member States converge around them, and fund R&D and investment properly. In fact, defence and deterrence require capabilities that are precluded to most – if not all – EU states and which require cooperation for their development and production. As stated in the SC, what the EU needs most are strategic enablers and next generation platforms. In short, systems that no European state can procure alone. This requirement had been noted before,[20] but after the war there is a compelling reason to move from words to deeds. In a nutshell, differently from previous conflicts, the war in Ukraine provides a sobering lesson on the dangers inherent in the return of geopolitical competition.

These reasons for optimism are counterbalanced by old and new challenges. Starting from well-known problems, it is worth remembering that the Commission still has limited powers and constrained resources. While the path marked by Presidents Juncker and von der Leyen thus far is commendable, being founded on the best tool at the Commission's disposal (i.e. funding powers), three limits remain: the first concerns the risk of bureaucratic inertia and frictions due to overlapping functions between EU agencies. This is particularly true of the EDA and DG DEFIS,[21] but also of the European External Action Service (EEAS).[22] The sudden growth of initiatives and consequent reshuffling of competences among agencies has not been guided by a comprehensive project; it is rather the result of an incremental institutional development, which at worst may lead to policy incongruence and, at best, could hinder the

[20] European Defence Agency, *2020 CARD Report.*

[21] The Directorate General for Defense, Industry and Space (DG DEFIS) was established under the European Commissioner for Internal Market in January 2021. It is in charge of the implementation and oversight of the EDF.

[22] K. Engberg, "A European Defence Union by 2025? Work in progress", Policy Overview, SIEPS, Swedish Institute for European Policy Studies, January 2021, p. 17; S. Sweeney and N. Winn, "Understanding the Ambition in the EU's Strategic Compass: A Case for Optimism at Last?", *Defence Studies*, vol. 22, no. 2, 2022, p. 201.

potential of communitarian efforts. So, better coordination between these bodies will be key to avoid turf wars or policy schizophrenia.

The second limit concerns the adherence to a bottom-up principle, whereby Member States ultimately decide on whether or not to cooperate. This means that, for the time being, it is still national capitals who call the shots. Put bluntly, should the call for more collaborative projects fall on deaf ears, there is not much the Commission could do to force states in that direction. Admittedly, a top-down approach would be unrealistic, and would probably create more problems than it would solve.[23] However, one of the big questions for the future is whether the economic incentive provided by the EU will be enough to consolidate the EDTIB. How generous does EU funding need to be to shape national procurement? In other words, will the promise of EU funds ever suffice to tilt the balance in favour of collaborative projects and away from national ones? As the old saying goes, there are some things that money can't buy.

The latter consideration underpins the third, longstanding limit in the recent waves of initiatives. While the Commission has largely relied on economic incentives to foster collaborative capability development and, based on its recent proposals, procurement, at the national level planning and procurement processes are driven by a broader range of factors. In fact, European states have organised this issue-area in very different ways, as neatly captured by the diverse capitalism literature.[24] Simply put, while some governments are firmly in command of their armaments policy (France being a case in point), others are

[23] A. Azzoni, "European Defence: Time to Act", IAI Commentaries 22|32, 12 July 2022, p. 1.

[24] Seminal contributions include M. DeVore and M. Weiss, "Who's in the Cockpit? The Political Economy of Collaborative Aircraft Decisions", *Review of International Political Economy*, vol. 21, no. 2, 2014, pp. 497-533; A. Calcara, "State–Defence Industry Relations in the European Context: French and UK Interactions with the European Defence Agency", *European Security*, vol. 26, no. 4, 2017, pp. 527-51.

more permeable to the influence of defence firms (for instance Italy). So, providing extra funds via the EDF or supporting joint procurement through a VAT waiver may sound attractive for policy-makers, but not for arms producers. Should defence companies have business interests that do not coincide with the priorities pursued through EU projects, they will likely oppose participation in these programmes.

Moreover, in addition to economic actors, the Armed Forces are also a neglected player in EU initiatives designed to foster collaborative investment and procurement. As recognised among others by Daniel Fiott, national defence planners must be engaged more closely in the assessment of capability priorities for joint efforts.[25] In fact, national planning is mostly driven by domestic factors and NATO requirements,[26] with coordination at the level of the EDA or the European Union Military Staff (EUMS) so far playing a rather peripheral role. Fortunately, signs of a growing awareness of the imperatives of cooperation to enhance European military capabilities are surfacing in recent EU efforts. This is shown, among other things, by the renewed emphasis on strategic enablers and next generation systems – a widely shared concern in the defence circles of EU capitals – and in the proposal for a joint procurement and maintenance of equipment.[27] Nonetheless, it would be desirable for national procurement agencies to be given a role (i.e. tasks and responsibilities) in the new EDIP and EDCC initiatives.

[25] D. Fiott, "Capability Development", in C. Mölling and T. Schütz (Eds.), *The EU's Strategic Compass and Its Four Baskets Recommendations to Make the Most of It,* DGAP Report No. 13, November 2020, p. 11.

[26] Via the NATO Defence Planning Process (NDPP).

[27] L. Scazzieri, "Beyond European strategic autonomy?", *CER Bulletin*, Issue 145, Centre for European Reform, August/September 2022, p. 2. It should be recalled that the actual cost of a weapon system – as of any good – should be calculated in its whole life-cycle, not just for production. Maintenance costs make up for a conspicuous part of this sum, so joint procurement might bring about additional savings.

Finally, Brexit constitutes a novel obstacle on the road to a stronger EDTIB. As noted by Schütz and Mölling,[28] British companies' defence-related turnover amounts to 38% of the European defence sector. Simply put, players like BAE Systems, Rolls Royce and others are too big to be left out of the EDTIB. Most importantly, BAE Systems is perhaps the only European company that can compete with US producers as a system integrator. And yet, post-Brexit negotiations have not yet led to an agreed procedure on how to let British companies apply for EDF funds.[29] The consequences may be surreal, and are actually already there. For instance, as of today, while France, Germany and Spain are developing an ambitious sixth-generation aircraft (the Future Combat Air System, FCAS), the UK, Italy and Sweden are working on a virtually identical project labelled *Tempest*. Although it is certainly too early to say which project will prove more viable, what is certain is that working on two parallel projects is a missed opportunity to promote defence integration.

Conclusion

The war in Ukraine is facing the EU with a severe challenge: after assuming that security concerns had forsaken the military dimension over the past three decades, defence and deterrence are now back on top of the security agenda. Unsurprisingly, the Union – as well as most of its Member States – found themselves ill equipped to face this dire situation. Little wonder then, that EU institutions have tried to turn a crisis into an opportunity, seizing the newly found consensus to revive old defence initiatives, and to launch new ones.

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[28] T. Schütz and C. Mölling, "Fostering a Defence-Industrial Base for Europe: The Impact of Brexit", IISS-DGAP, June 2018, p. 4.

[29] S. Besch, "Bridging the Channel: How Europeans and the UK Can Work together on Defence Capability Development", Centre for European Reform, Konrad Adenauer Stiftung, October 2021; J. Mawdsley, "The Impact of Brexit on European Defence Industry", *Defense & Security Analysis*, vol. 36, no. 4, 2020, pp. 460-62.

As we have seen in the previous paragraphs, the intent to consolidate the EDTIB is laudable. All in all, harmonising Member States defence planning, avoiding duplications and increasing EU military capabilities will be beneficial for the Union and its citizens. However, as noted by Italian diplomat Alessandro Azzoni, this will come at a cost for some Member States: loosing "some elements of strategic and operational 'sovereignty' in the military domain".[30] Faced with this prospect, national capitals (or at least some of them) will likely remain reluctant to coordinate their procurement policies. For this reason, unless the Commission goes beyond mere coordination and takes on a leadership role, the most likely outcomes will be lowest common denominator solutions[31] – good to show a façade of unity, but useless to advance the interests of the Union.

[30] Azzoni (2022), p. 2.

[31] Sweeney and Winn (2022), p. 199.

4. The EU's Role in Security and Defence: Still Indispensable

Sven Biscop

The Strategic Compass, the guiding document for the EU's role in security and defence, had been nearly two years in the making and was well-nigh finished, when on 24 February 2022 Russia (again) invaded Ukraine. In such a case, one has three options: to publish the text as it stands, as if nothing happened; to completely rewrite the whole text; or to add a few sentences to the introduction and the conclusion, pretending one has taken everything on board. The drafters of the Strategic Compass basically went for the last option[1] – and rightly so, for a rewrite was unnecessary. On the one hand, the Compass obviously focuses on the competences of the EU, i.e. not on collective defence and military deterrence, on which the war has the most direct impact, but which the Europeans continue to organise through NATO. On the other hand, the issues on which the Compass does focus – notably crisis management, hybrid threats and capability development – have not become any less relevant because of the war – quite the opposite, in fact.

The Strategic Compass, in other words, has the right focus and, as will be argued below, makes important choices.

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[1] As did I when confronted with a similar situation, twice: first when I had nearly finished my doctoral dissertation on security relations between the EU and North Africa and the Middle East when "9/11" happened, and again when I had almost finished turning the dissertation into a book and the US invaded Iraq.

Nevertheless, the risk is real that its implementation will suffer as new defence initiatives in the framework of NATO, in response to Russia's invasion, absorb all attention. That would be a mistake: the EU contribution to the security and defence of the European continent remains indispensable.

European Crisis Management

The element of the Compass that caught the most attention is the Rapid Deployment Capacity (RDC) because, as a force capable of undertaking crisis management operations at the level of 5000 troops, it is a very tangible objective.

One thing is certain: the fact of a war on Europe's eastern border has not made Europe's southern flank and the many existing and potential security issues there disappear. To the contrary, both theatres are linked, for Russia has also intervened militarily (directly or hiding behind the façade of the Wagner Group and its mercenaries) in North Africa and the Middle East. Seen from Moscow, this is a single large theatre in which Russian influence must be ensured, in order to maintain access to the Mediterranean, and to establish bases from which European (and American) strategy can be undermined. But Russia's interference is not even the main reason why the southern flank must remain a priority for the EU at the same level as the eastern one. In geopolitical terms, the southern shore of the Mediterranean is an integral part of the security of the European continent: the latter's security simply cannot be guaranteed unless the former is sufficiently stable.[2] Military intervention is definitely not the first instrument to achieve that stability, but situations inevitably will arise again in which it is the only way to safeguard the European interest.[3] Given that the

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[2] As argued already by Sir Halford Mackinder, *The Geographical Pivot of History*, London, 1904.

[3] N. Wilén and P.D. Williams, "What Are the International Military Options for the Sahel?", IPI Global Observatory, 12 April 2022.

US is less and less likely to take the lead in stabilising this part of the world, the Europeans will have to assume responsibility themselves. To that end, an effective expeditionary capacity is an essential part of their toolbox. Is the RDC the answer?

The Compass, under the chapter heading "Act", states that the RDC "will consist of substantially modified EU Battlegroups and of pre-identified Member States' military forces and capabilities". The existing Battlegroup scheme provides for Member States to generate two multinational forces (each consisting of a battalion plus enablers such as transport and command & control), on a rotational basis, with new Battlegroups on standby every six months. The main modification seems to be that Battlegroups will henceforth be on stand-by for a year rather than a semester. The Compass also stresses the strategic enablers needed to deploy them, but these were already part of the Battlegroup concept; Member States just had difficulty providing them. The major problems with the Battlegroups remain the same, therefore: a Union of 27 has a stand-by force that at any one time is made up of a handful of Member States, and in the event of a crisis, it is that handful – not the 27 – that decides whether or not to deploy what remain *their* troops. Moreover, a Battlegroup based on a single combat battalion can only intervene in a meaningful way in a very few specific scenarios. And the Battlegroups are temporary formations: after its standby period, a Battlegroup is dissolved, so there is little or no accumulation of experience. In spite of these well-known deficits, which mean that the Battlegroups will likely never be operational, they were not killed off, because many Member States insisted on retaining them. This may prove problematic for the implementation of the RDC, which in reality can only be created on the basis of other, pre-identified national capabilities.

As the EU envisages interventions at a scale of 5000 troops, i.e. a brigade, what the RDC really needs is a pool of brigades, not Battlegroups. A set of Member States ought to each identify a national brigade capable of expeditionary operations, and

permanently constitute these brigades into a multinational division or corps.[4] These brigades should then organise regular manoeuvres together. Over time, doctrine and equipment can be harmonised between brigades, so as to achieve very deep interoperability. Many individual brigades, certainly those of the smaller Member States, no longer comprise all the necessary capabilities for combat support and combat service support capabilities (such as air defence, combat engineers, etc.). A combination of division of labour and pooling of assets between the participating Member States could ensure the full complement of capabilities at the level of the division or corps. Finally, common enablers (such as transport) could be built around the division/corps. Thus a pool of interoperable expeditionary brigades would emerge, which would not be on stand-by but at a high degree of readiness, from which a tailored force could be generated for a specific operation. The higher the number of Member States that commit a brigade to the scheme, the more likely that a coalition of the willing will be ready to act in a given crisis. A similar scheme could easily be applied to naval and air forces, by the way, which the Compass rightly highlights. The national building-blocks would then be frigates and squadrons.

Such a model has actually been on the EU's drawing board for some time: the Crisis Response Operation Core (CROC), one of the projects under Permanent Structured Cooperation (PESCO). But even as this remains a mostly conceptual exercise, it has been watered down already. An RDC built along these lines would be an effective expeditionary force. And Member States could then quietly shelve the Battlegroups.

Even a pool of brigades would be difficult to deploy without standing arrangements for command and control. Unfortunately the EU's own Military Planning and Conduct Capacity (MPCC) is chronically under strength, as Member

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[4] S. Biscop, "Battalions to Brigades: The Future of European Defence", *Survival*, vol. 62, no. 5, pp. 105-18.

States do not second sufficient military personnel to fill all the posts. More importantly, the EU does not have its own secure communications infrastructure; that ought to be a priority investment. Even so, as currently configured, the MPCC can run a single Battlegroup-sized operation at most. A serious RDC thus either requires that the MPCC be upgraded, or another headquarters be found. The existing Eurocorps HQ could be suitable, as it has trained for precisely this role: conducting large-scale expeditionary operations. This could, in fact, give the Eurocorps a new sense of purpose, as it has seldom been deployed in its 20-year history.

Command & control is inherently linked to the debate about decision-making and the long-standing proposals to introduce more flexibility, as until now all decisions relative to operations require unanimity. For some time now, Member States have been discussing the application of Article 44 of the Treaty on European Union, which allows the Council to entrust the implementation of an operation to a group of the able and willing Member States.[5] Consensus seems far away, however, as several Member States remain unwilling to abandon unanimity for all but the smallest decisions. In practice, therefore, it seems likely that many operations, in particular those involving combat, will be undertaken outside the EU framework, as has been the trend for two decades now.

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[5] Article 44: "§1 Within the framework of the decisions adopted in accordance with Article 43, the Council may entrust the implementation of a task to a group of Member States which are willing and have the necessary capability for such a task. Those Member States, in association with the High Representative of the Union for Foreign Affairs and Security Policy, shall agree among themselves on the management of the task. §2 Member States participating in the task shall keep the Council regularly informed of its progress on their own initiative or at the request of another Member State. Those States shall inform the Council immediately should the completion of the task entail major consequences or require amendment of the objective, scope and conditions determined for the task in the decisions referred to in paragraph 1. In such cases, the Council shall adopt the necessary decisions".

Military Capability Development

Under the chapter heading "Invest", the Compass also addresses capability development in general, setting out priorities for investment. It is not the first time that the EU has produced such a list. The High-Impact Capability Goals of the EU Military Staff, the Capability Development Plan of the European Defence Agency, the Coordinated Annual Review on Defence (CARD), the European Defence Fund (EDF) of the Commission, and now the Compass all produce their own set of priorities. These lists largely overlap, but never quite totally. Member States readily sign up to such lists, with the full intention of not stopping the other 26 from acting upon them – but not necessarily of doing so themselves.

What is necessary now is for Member States to finally take their pick from all these lists and decide not only in which industries and technologies, but also in which capabilities they will invest. To ensure that Compass priorities such as the next generation main battle tank or combat air system take off, a sufficient number of Member States must now finally commit to them, allocate money, and announce how many tanks, aircraft, or drones they eventually intend to procure, in order to constitute which capability. The focus should not only be on conventional "hardware", of course, but also on areas such as space and cyber, as the Compass rightly points out. The resources available through the EDF ought then to be focused on these core priorities. As a form of common funding, the EDF is the best way to ensure that the EU Member States invest in the collective interest, by concentrating funds on the priority capability gaps for the full range of tasks, including collective defence. The EDF is in no way limited, by the way, to the capabilities required for crisis management operations under the EU's Common Security and Defence Policy (CSDP). It can be used to invest in the full range of capabilities, including those required primarily for territorial defence.

The Commission has also proposed a new instrument for joint procurement: European Defence Industry Reinforcement through common Procurement Act (EDIRPA), to be adopted by the end of 2022. In the short term, Member States have to urgently replenish stocks of all kinds, notably because many have passed on a lot of equipment to Ukraine. At the same time, several Member States are strengthening capabilities such as missile defence and UAVs by acquiring systems off the shelf. In the long term, EDIRPA can be used to procure together what has been developed together through the EDF.

The EU's role also consists, therefore, in encouraging Member States that acquire the same equipment – be it in the short term and off the shelf or when the long-term investment projects under the EDF bear fruit – to not simply equip their national forces with it, but to build multinational formations (just as for the RDC). Especially in areas that many Member States have only just entered or are about to, it would be absolutely pointless to once again set up a plethora of separate national capabilities. For after a few years, inevitably one would come to the realisation that they are too small to be significant; yet by then the obstacles to cooperation would already have become too big to be easily overcome. Instead, Member States ought to configure capabilities as national building-blocks of a multinational formation from the start. A European drone command, missile command, cyber command etc.: such multinational capability initiatives could become as many PESCO projects.

Russia's war against Ukraine has definitely increased the urgency of the investment needs. Many Member States have transferred arms and ammunition to Ukraine from stocks that were already depleted in the first place. The longer the war lasts, the larger the risk of escalation beyond Ukraine looms. Giving depth to Europe's armed forces has thus become a most urgent necessity.

A European Pillar of NATO

Like the EU, NATO has also, of course, announced new defence initiatives. At the June 2022 Madrid Summit, NATO leaders adopted a new Strategic Concept. This did not contain any spectacularly new provisions – nor were those expected or necessary. Rather less noticed but probably more important is the green light NATO leaders gave to transition to the so-called New Force Model (NFM) in the course of 2023. The avowed aim is to create a pool of 300,000 troops in a high state of readiness, and to pre-assign these to specific defence plans. This is very ambitious, all the more so because these will mostly be European troops.[6]

The rationale behind the NFM is that to be able to respond to all eventualities, the NATO military commander, SACEUR, requires a better view of the available forces, and their state of readiness, beyond the 40,000 currently on rotation at any one time in the NATO Response Force (NRF). Hence the NFM provides for the organisation of forces in three tiers: 100,000 troops in tier 1 should be available within 10 days; 200,000 more in tier 2 within 10 to 30 days. Adding to the existing scheme of pre-deployed battlegroups in the Baltic states, Hungary, Poland, Romania and Slovakia, some additional tier 1 and 2 forces will be pre-deployed on NATO's eastern flank, on a rotational basis, but probably not substantially so. More importantly, NATO aims for all tier 1 and 2 troops to be assigned to specific geographic defence plans for which they can then train. Tier 3, finally, provides for at least 500,000 troops more within one to six months.

The rationale goes further, however. To prevent any incursion from establishing a foothold on the territory of a NATO ally, which would be difficult to reduce, the response must be immediate and in force. In other words, a counter-attack cannot

[6] This section and the following draw on the paper 'The New Force Model: NATO's European Army', Egmont Policy Brief 285, by the same author.

wait for reinforcements to arrive from across the Atlantic, but must be undertaken with forces present in Europe. That, in turn, means: with mostly European forces. If there are signs of an aggressive military build-up, North American Allies could of course pre-deploy forces preventively. But even since the Russian invasion of Ukraine, although the US has brought its forward presence in Europe to 100,000 troops, the bulk of these are in headquarters and depots, not in combat units.[7] The core of the NFM will be 300,000 European high-readiness troops, therefore, and the first line of conventional deterrence and defence will thus increasingly be European. This de facto Europeanisation of the European theatre is in line with the evolution of the global strategic environment, and of US grand strategy. In practice, if war were to break out in Europe and Asia simultaneously, the US would likely prioritise the latter. The European allies would thus have to hold the line in Europe; reinforcements from North America would arrive later and in smaller numbers than envisaged during the Cold War. That is the real (though usually unspoken) strategic significance of the rise of China: not that it poses a military threat to Europe (it does not), but that the US identifies it as the main military threat, and allocates resources accordingly.

Less conspicuous in NATO's communication about the NFM so far, though potentially very important, is that it encourages Allies to cooperate and organise the tier 1 and 2 forces into large multinational formations. NATO should learn from the EU's experience with the Battlegroups and accept that temporary multinational formations bring little added value. Permanent formations are required, along the lines of the RDC outlined above, but composed of heavy, including armoured units. Several multinational initiatives exist already, with different degrees of integration, such as the three groups led by Germany, Italy and the UK in the context of NATO's

[7] US Department of Defense, *Fact Sheet: US Defense Contributions to Europe*, 29 June 2022.

Framework Nation Concept,[8] and bilateral cooperation such as the German-Netherlands Corps and the Franco-Belgian Motorised Capacity. Rarely are they used, however, to generate deployments, although, arguably, that is exactly what it would take to instil a real sense of purpose into these schemes. The fastest way to an effective NFM would be to deepen some of these existing frameworks, turning them into standing formations with units permanently assigned to them, and linking each to one of the regional defence plans. In a later stage, new formations could be created. Nor should this be limited to land forces: multinational air wings, with national squadrons as building-blocks, are an indispensable complement. Naturally, the larger European Allies could continue to field purely national formations as well.

Eventually every sector of Europe's eastern flank could be covered by a large European (national or multinational) formation, in tiers 1 and 2, from which rotational pre-deployments would be generated, in coordination with the rotational presence of non-European Allies. This would not be a single European army, of course, but it would begin to constitute what in principle is the aim of PESCO (though in reality it is not moving in this direction): a comprehensive, full-spectrum force *package*. That would be a tangible European pillar within NATO, on which conventional deterrence and defence in the European theatre would come to rest, together with the Alliance's military command structure.

EU-NATO: Contentious Cooperation

Such a European military pillar within NATO can only work optimally if underpinned by the EU, notably by the EDF and EDIRPA. They alone can ensure that additional defence budgets are spent in the most cost-effective way, and push

[8] S. Monaghan and E. Arnold, "Indispensable. NATO's Framework Nations Concept Beyond Madrid", CSIS, June 2022.

for the harmonisation of future equipment, without which no really coherent force package is possible. Moreover, they will guarantee that new funds and projects will strengthen the European technological and industrial base, within the framework of the EU's overall economic strategy, which is not an objective, as such, of NATO or its new initiative, the Defence Innovation Accelerator for the North Atlantic (DIANA). Finally, only collectively, through the EDF, can the Europeans field their own enablers, without which the European pillar would not be complete. For as deterrence and defence are being Europeanised, the European role cannot be that of a mere troop provider whose forces can only be put to use when the US deploys its enablers.

However, there is also a high risk of duplication, notably between the RDC and the new multinational Allied Reaction Force (ARF), a lighter (i.e. expeditionary) successor to the NFR that the NFM announced as part of Tier 1. There is obviously no point in creating two (mostly) European rapid reaction formations, nor would it be possible, for there are not enough high-readiness expeditionary forces to go around. It is quite possible that the problem of duplication will not arise, for the simple (and sad) reason that EU Member States will not take the RDC seriously and satisfy themselves with a rebranding of the Battlegroups. Even then, however, the ARF would remain problematic, especially if (as seems to be the intention) it is assigned exclusively to SACEUR. For the reality is that over the last two decades nearly every crisis management operation that entailed combat has been conducted outside the EU and NATO frameworks, by ad hoc coalitions. At the same time, even an ad hoc coalition intervening in Europe's neighbourhood de facto always interacts with EU strategy and its political and economic presence in the countries concerned. Meanwhile, the US appears less and less willing to play a leading role on Europe's southern flank. In this strategic context, it is pointless to "lock up" the bulk of European expeditionary forces in a NATO-only scheme. Instead, the RDC and ARF could be

regarded as a single force – a European Reaction Force (ERF), perhaps – that is available to both NATO and the EU, would be certified by both, and would exercise command & control arrangements with both. Crucially, a coalition of the willing from among the contributing States could also deploy a force generated from the "ERF" outside the formal EU and NATO framework.

In terms of defence planning, finally, experience has shown that when the NATO Defence Planning Process (NDPP) and the EU's Headline Goal Process and Capability Development Plan (CDP) run in parallel, only one (the former) has actual impact on national defence planning. The NDPP has defects, however, because it does not really take into account the need for the European Allies to pool their efforts and create multinational capabilities in many areas, as individually they no longer have the scale to generate significant additional capabilities. Nor does the NDPP integrate the requirements, notably in terms of enablers, of European-only crisis management operations on the southern flank. Only the EU can set the level of ambition for autonomous crisis management operations, because it can only be derived from overall EU foreign policy. But ideally, it would be incorporated into the NDPP instead of being fed into a separate process, so that NATO and the EU effectively co-decide on a balanced mix of forces for the European Allies that are Members of the EU. Similarly, the opportunities for cooperation identified by the EU have to be pushed by the NDPP as well, which must abandon its focus on national capabilities in favour of an approach based on multinational cooperation.

Conclusion

One should be honest in one's assessment: the defence efforts of the EU Member States, and of NATO, will not collapse if the EU terminates its defence efforts. But national and NATO decision-makers should be honest as well, and acknowledge that

without the assistance of the EU's instruments, the European defence effort will never be integrated to a significant degree, and will therefore deliver a sub-optimal output as compared to the input in terms of budget and personnel. EU Member States have made important decisions – now they must show as much resolve for their implementation. Building a real RDC based on a pool of brigades, and linked to a serious headquarters; kick-starting projects to design and build the "big ticket" items from the list of capability priorities, such as fighter aircraft, main battle tanks, military space, and military cyber; moving fast once the new joint procurement instrument has been adopted; and, overall, beginning to integrate Europe's capabilities. If the EU manages to do this, its role in security and defence will indeed be indispensable.

5. The EU-NATO Partnership

Nicolò Fasola, Sonia Lucarelli

Since on the start of the war in Ukraine in 2022, NATO's significance for European security has been reasserted, putting ideas about the Alliance's obsolescence to rest. The rapid deployment of additional troop contingents in the East in the face of Russia's escalatory actions demonstrated, somewhat surprisingly, the solidity of the allied commitment to Art. V, while the US have reclaimed their role as leaders of the Western camp. It is thanks in large part to US political will and military capabilities that NATO has managed to thwart Russian war plans and support the Ukrainian armed forces for so long.

In parallel, the EU has managed to carve out a space of its own by managing the war's consequences for itself and Ukraine. The EU has not yet put together an assistance package comparable to the 'recovery plan' adopted during the pandemic, but this might be premature at the present stage, as the war is far from being over. However, the EU has successfully co-managed, together with Member States, the current energy-related contingencies and successfully brokered eight consecutive sanction packages against Russia. At the same time, the EU has extended to Ukraine generous financial and humanitarian assistance, helping Kyiv to cope at least with its most pressing, short term needs.

So far, the EU and NATO have managed to work jointly (or, at least, in non-contradictory terms), capitalising on the gradual, growing interconnection they have facilitated over the last two decades. The present international context offers

a unique opportunity for stepping up this partnership even more, to the benefit of Europe's security and defence.

The EU-NATO Partnership So Far

The EU and NATO both responded to the US's efforts to stabilise and pacify Europe after WWII. However, the EU-NATO's partnership has developed and strengthened predominantly in the post-Cold War period, mainly as a result of the EU's growing role in the security sector and the consequent acknowledgement of the two organisations' complementarity, the Member States' willingness to contain the costs of duplications and the response to external challenges.

When the EU launched its Common Foreign and Security Policy (CSDP) with the Maastricht Treaty in 1992, and when it opened the way to a Common security and Defence Policy with the Nice Treaty, concerns arose around potential duplications of NATO's functions in Europe that could lead to a "functional or regional decoupling of security".[1] However, the subsequent developments showed that the EU and NATO were actually engaged in a cooperative game. In creating the CSDP's institutional organisation, the EU included a series of mechanisms of consultation with NATO that would be useful in case of crises. Moreover, in 2002 the EU and NATO announced the establishment of a strategic partnership centred around cooperation on crisis management. Furthermore, in order to undertake its autonomous missions, in 2003 the EU signed with NATO the so-called Berlin Plus agreement, which gave the EU access to NATO's operational infrastructure (something already envisaged in the 1999 Washington Community Communiqué). The 2003 arrangements also included the Security of Information Agreement on sharing

[1] J. Sperling and M. Webber, "North Atlantic Treaty Organization (NATO) and the European Union", *Oxford Research Encyclopedia of Politics*, 30 January 2020, p. 3.

of classified information, crucial in crisis management. Later on, at the 2010 Lisbon Summit, NATO counties reiterated their intention of strengthening the EU-NATO partnership. Eventually, they included this aim in the 2010 NATO strategic concept.

Some years passed, however, before further significant progress was made. It was as a response to a series of crises (the economic crisis of 2008 and the Russian annexation of Crimea of 2014 first and foremost) that EU-NATO cooperation was relaunched. In June 2016 the European Council called for further enhancement of the relationship between the EU and NATO, stressing their common aims and values. On 8 July 2016 the EU and NATO issued a Joint Declaration, recognising the two as 'essential partners' in Euro-Atlantic security. The commitments made in the declaration were then translated into a series of common proposals in a wide range of areas such as hybrid threats, operational cooperation, cyber, defence capabilities, defence industry and research, exercises, capacity-building, counter-terrorism, women, peace and security, and military mobility. The EU-NATO Joint Declaration of July 2018 underscored the commitment of the two organisations and mentioned the EU's efforts at strengthening its security and defence capacity.

Limits and Opportunities of Closer EU-NATO Relations

The previous section reviewed the increasingly closer ties that the EU and NATO have developed over the years. Generally speaking, such a trend testifies to the growing relevance of security- and defence-related themes in the agendas of European states, in the face of a more chaotic international environment.

The current Ukraine war bears the potential to push this process further. Not only has the spectre of state-to-state conflict returned to Europe, bringing back memories of the very reason why the EU and NATO were created; the war has

also brought to the fore the deep problems affecting the security and defence systems of European states – made vulnerable by the very network of global interdependencies they based their growth on, and unable to summon enough military power to promptly defend themselves without US support. In light of this, even those European states traditionally reluctant to talk security and defence have agreed (at least rhetorically) to boost collective efforts in those domains. Notably, the goal of achieving greater 'strategic autonomy' has resurfaced across EU constituencies.

But while it is clear that Europe should strive more to secure its security, *how* to do so is open to debate. Continuation along the path of closer EU-NATO ties is not to be taken for granted, as many alternatives are available to European states. Two such alternatives are worth noting.

On the one hand, some European states have shown a preference for intensifying bilateral security relations with the US – a choice that, in times of crisis, gives the illusion of higher reliability than heavily bureaucratised inter-governmental institutions.[2] Greece, Hungary, the Baltic Republics, and Poland did so in 2018-2019, when NATO was heavily criticised by Donald Trump. Today, notwithstanding the seeming consolidation of both NATO and the EU, Poland still shows a relative preference for such a path – as testified to by the ongoing, substantial reorientation of its military procurement in favour of US weapon systems.[3] Other East-Central European states are following Warsaw's example.

The strengthening of bilateral relations with the US can provide a quick fix for short-term security needs but, if it were to become the norm, it would actually compromise the system of European security over the long-term. By bypassing

[2] J. Ringsmose and M. Webber, "No Time to Hedge? Articulating a European Pillar Within the Alliance", *Policy Brief*, no. 5/2020, NATO Defence College (NDC).

[3] "Più truppe, armi, mezzi e spese per la Difesa al 3 per cento del Pil: il riarmo della Polonia", *Analisi Difesa*, 15 June 2022.

NATO and the EU, it would make these institutions irrelevant, fragmenting transatlantic security into a series of disconnected one-to-one agreements wherein the US would necessarily enjoy the upper-hand over individual European counterparts. At a time of increasing great power competition and shifting US interests, bilateral solutions would hardly consolidate Europe's security and defence.

On the other hand, European states might decide to interpret the concept of 'strategic autonomy' integrally, as a synonym for military-strategic self-sufficiency.[4] In that case, we would witness the gradual disengagement from NATO and the US, in favour of a EU-centred approach to European security. To go down such path would require considerable political and organisational efforts, inasmuch as not only a European armed force, but also a proper command structure and a shared security policy should be put in place by the EU. Since 2016 the latter has improved or developed various instruments that point in that direction, including a European Defence Fund (EDF), the establishment of a Co-ordinated Annual Review on Defence, and the strengthening of the Permanent Structured Cooperation.

However, these steps have been rather inconsequential, reflecting the ambitions of the European Commission, rather than those of Member States. These, except France, remain cold to the idea of an EU-centred approach to security – whose set-up would raise considerable functional and political problems. First, it would duplicate many structures or functions already financed and consolidated under NATO, thereby resulting in overlapping institutional responsibilities and a waste of shared resources. Second, and relatedly, such an EU-centred system of security and defence could be completed in the very long-term only. This timeframe is incoherent with the pressing needs imposed by the present international environment. Third, a European security architecture based on the EU only would

[4] Ringsmose and Webber (2020).

imply the loss of irreplaceable, key benefits generated by cooperation with Washington – including cover under the US nuclear umbrella and access to a global network of capillary intelligence.

Overall, neither the bi-lateralisation of European security nor its exclusive re-focussing on the EU appear as optimal courses of action. A more credible, efficient, and concrete way to bolster Europe's security lies in the parallel strengthening of the EU and NATO, while creating deeper synergies between the two. Instead of emphasising individual defence strategies, European states should invest in the improvement of the EU's aggregate profile in the domain of security – not to substitute NATO or become one with it, but to provide for a stronger 'European pillar' within the Alliance, so as to better attend to the latter's core tasks and preserve the transatlantic link. This argument rests on two sets of considerations.

To begin with, NATO remains the key provider of hard security in Europe, mainly because of the US' military might.[5] The ongoing Ukraine war has demonstrated the continued relevance of the Atlantic Alliance for deterrence and defence purposes, proving the reliability of its consensus-based decision-making even in times of crisis. Most importantly, NATO provides a unique platform for projecting US power rapidly across Europe. This continues to be relevant because, among the allied armed forces, the US has the only ones retaining the knowledge, capabilities, and stockpiles to fight a conventional high-intensity war. In the nuclear domain, the UK's and France's arsenals cannot substitute for the US strike and deterrence potential, which NATO helps deliver. Moreover, the degree of interoperability that allied forces enjoy derives primarily from their adherence to NATO standards, structures, and procedures, under American supervision; outside of NATO, European armed forces still find themselves struggling

[5] R. Alcaro, "More Integration, Less Autonomy. The EU in EUrope's New Order." *Commentary*, no. 38/2022, Istituto Affari Internazionali (IAI), 2022.

with relevant incompatibilities and capability gaps that reduce their effectiveness considerably, compared to the performances recorded during allied exercises and operations. All in all, then, European capitals are in no position to reject NATO and US security guarantees.

At the same time, it is only by joining efforts and bringing to bear the EU's aggregate potential that European states can acquire sufficient critical mass to actually shape the security environment according to their own needs, without suffering under the weight of US pre-eminence within NATO or, even worse, competitors' military capabilities. Via the EU, European allies can contribute to NATO's mission – hence to European security and defence – in many ways.

First, the EU can contribute to the transformation of European defence sectors, improving their ability to function both independently and within NATO. To date, EU defence expenditures are uncoordinated: only about 6% of total research and development spending and 11% of equipment orders in Europe pass through Brussels.[6] This results in a host of redundancies, incompatibilities, and capability gaps across European armed forces.[7] Fixing this condition requires greater efforts from the Commission, to coordinate the investment pledges and defence reforms of individual Member States. By ensuring the coherence and complementarity of members' defence strategies, orders, and plans, the EU can help increase the serviceability of European forces, as much as their interoperability as part of NATO's multi-national contingents.

In turn, the fulfilment of this goal depends on the successful implementation of other measures – aimed at supporting the actual increase of European defence spending, the development of a military-industrial base that can deliver in both quantitative and qualitative terms, as well as the alignment of

[6] I. Bond and L. Scazzieri, "How to Boost NATO-EU Cooperation." *Project Syndicate*, August 2022.

[7] A. Azzoni, "European Defence: Time to Act." *Commentary*, no. 32/2022, Istituto Affari Internazionali (IAI), 2022.

the EU's security planning with NATO's. To increase European expenditure and industrial output is a necessary precondition to successful rearmament – an objective delayed for too long under the erroneous impression of the 'obsolescence of war;' as a corollary, it would help the EU silence Washington's standing criticism about Europe's lack of contribution to its own (military) security, thereby demonstrating reliability as a partner. On paper, the establishment of the EDF goes in that direction, but more resources would be needed for it to actually exert any meaningful impact. That is why the EU would be wise to come up with ways to incentivise both defence spending per se and joint ventures between European industries – which are still extremely limited.

These steps might be difficult to legitimise to European constituencies under current economic and financial conditions. However, research shows that populations who are exposed to great, persistent threat perceptions (as it is the case in Europe today) are more willing to accept the redirection of resources towards security and defence than under normal conditions.[8] This might give the EU some short-term room for manoeuvre to accomplish the tasks above. None of those, however, will serve the ultimate goal of reducing capability gaps and redundancies if planning and procurement are conducted in an information void. To avoid this, the EU does not need any innovative solutions, as NATO's Defence Planning Process already provides the near totality of EU members with a precise overview of individual and aggregate security needs, pointing to possible solutions. By fine-tuning the EU's defence coordination efforts in the direction agreed upon in the Alliance's context, Europe will be able to spend its resources more efficiently and effectively, focussing on identified priority areas.[9]

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[8] F. McGerty, D. Kunertova, M. Sergeant, and M. Webster, "NATO Burden-sharing: Past, Present, Future", *Defence Studies*, vol. 22, no. 3, 2022, pp. 533-40.

[9] L. Simón, "EU-NATO Cooperation in an Era of Great-Power Competition", *Policy Brief*, no. 28/2019, German Marshall Fund (GMF), 2019.

Second, and relatedly, the EU can specialise in select non-military security tasks, thereby sparing NATO of a considerable organisational burden and helping contain the Alliance's tendency to overstretch. Among these tasks, energy security and countering disinformation are areas in which the EU has far greater potential than NATO. With regard to energy in particular – the physical protection of critical infrastructures would likely remain a responsibility of individual governments, with the potential support of allied contingents in the most delicate cases. Yet the EU could take the lead in ensuring the supply, diversification, and sustainability of energy resources from a broader perspective, in both peace and war time. Since February 2022 the Commission has demonstrated sufficient power and credibility to at least influence Member States' energy policies, but the exercise of such agency should not be limited to times of crisis. The Commission should develop a wide-ranging, complete set of contingency plans that allows to react swiftly to any disruptive changes of the energy domain already in the short-term. The parallel deepening of the integration of European energy markets would make this type of reactions easier, while reducing the exposition to external shocks. Overall, in this and other fields the EU has the chance to boost its agency. That would benefit not only the Union's international standing and internal solidity, but also alleviate NATO of tasks that, while supportive of its general mandate, divert personnel and resources from the core tasks of deterrence and defence.

Looking at this from the opposite angle, the EU should instead avoid taking up missions that NATO already accomplishes quite successfully – including security force assistance and military training. Recent proposals to set up such EU-led missions in support of Ukraine do not have much practical value, in that European militaries could not teach partners anything more than what they deliver via NATO's partnership programmes already.[10] It would make more sense if the EU continued

[10] A. Brzozowski, "EU strikes political deal on Ukraine military training mission",

focussing on those activities it has championed for 20 years already and that NATO cannot fulfil to the same level. These include judicial, economic, and democratic reform assistance measures, usually delivered via partnership agreements, and often based on conditionality. By fostering interconnection and sustaining the spread of liberal-democratic standards, these measures have successfully limited conflictual relations with EU partners (excluding Russia), thereby de facto supporting European security – while indirectly contributing to NATO's drive towards securing peace via spreading liberal-democratic values.

While the pursuit of stronger EU-NATO ties can benefit from the aforementioned steps, considerable obstacles lie on the way toward their implementation. Two such obstacles are worth mentioning, in light of their potential magnitude. One problem comes from the other side of the Atlantic, as the gradual reorientation of US interests towards the Asia-Pacific risks severing US commitment to Europe and even making NATO irrelevant. Since Barack Obama's "Pivot to Asia", Washington has shown a long-term desire to reorient its main military-strategic efforts towards the Pacific Ocean, to contain China's rise. The current Ukraine war has not reversed this trend, as demonstrated by the text of the latest US Strategic Concept. Since Europe cannot rest in the illusion that it will lie forever at the centre of American concerns, the strengthening of the EU's ability to attend more independently to its own security and defence acquires the utmost relevance. However, changing US interests should not lead to the rejection of the EU-NATO partnership. Quite the opposite, the growing American interest in the Asia-Pacific provides the EU with a chance to play a greater global role – for example, by co-drafting with Washington a joint China strategy, or attracting more US resources to Europe, so as to fasten the pace of reform of European armed forces.

EURACTIV, 13 October 2022.

The other major obstacles come from within the EU, as there persists a lack of a shared strategic culture among Member States.[11] This precludes the formation of a coherent, EU-level politico-strategic outlook that can be easily translated into mid-to-long term plans and then implemented, without the risk of it being reversed at any given point because of attritions among European capitals. Theoretically, this problem applies to NATO, too; yet US political leadership and the bureaucratic power held by NATO's International Staff limit the dysfunctional effects of such strategic cultural diversity. The European Commission, while considerably stronger than at the origin of the EU experiment, is still far from achieving the same level of influence on the EU's security policy. Until then, the strengthening of EU-NATO relations, as well as the preservation of European security at large, will remain hostage of individual members' self-interest.

Conclusion

2022's Ukraine war shattered the security order Europe had rested upon since 1991, thereby challenging the political relevance of two of its key institutions – the EU and NATO. Yet, opposite to Russian plans, both these Brussels-based organisations have managed not to succumb to the circumstances, reasserting their value and utility as means to protect the security of their Member States. The European Commission and the US have led this process in the cases of the EU and NATO, respectively.

The current situation also provides these two organisations with a unique opportunity to improve their partnership and build new synergies. The pursuit of broader, deeper synergies between the EU and NATO is a better long-term alternative than other options available to European states, including basing their security exclusively on bilateral relations with the

[11] H. Biehl, B. Giegerich, and A. Jonas (Eds.), *Strategic Cultures in Europe. Security and Defence Policies Across the Continent*, Potsdam, Springer, 2013.

US or distancing from NATO to chase the naive idea of a full "strategic autonomy" for the EU. In other words, instead of trying to substitute each other or operate independently, the EU and NATO should compenetrate further.

By strengthening the EU's institutional power in the domains of security and defence, European states will be able to improve their individual safety, while strengthening their collective weight within NATO. In turn, this will allow the Atlantic Alliance to achieve its core tasks more equitably, efficiently, and effectively, further bolstering Europe's stability.

One caveat is worth mentioning. While it is true that Russia's aggression of Ukraine represents the main challenge to the present international situation and, hence, provides the ultimate reason for strengthening the EU and NATO – these institutions should avoid making Russia their only reason of existence. In fact there are many more challenges, in Europe and the world, than Russia. Strategic competition is on the rise, due to the rise of China and the accelerating pace of technological innovation.[12] An excessive focus on Russia compromises the ability of the EU and NATO to face these other challenges. In other words, it would be a strategic mistake.

What's more, after this war and irrespective of its outcomes, Russia's conventional force will largely be unusable. It will take time to rebuild and become a useful tool of coercion again. In the meantime, Russia will likely increase reliance on nuclear forces, as it did already during the 1990s for similar reasons.[13] This requires the EU and NATO not to think about defence and deterrence only in a conventional sense, but to think about nuclear threats, too. This will mean reforming and relaunching their platforms for nuclear deterrence and survival, but also – like it or not – trying to engage with Russia at a diplomatic level to refurbish the regime for nuclear arms control.

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[12] A. Gilli et al., Strategic Shifts and NATO's new Strategic Concept, NDC Research Paper 24, 2022.

[13] K. Ven Bruusgaard, "Russian nuclear strategy and conventional inferiority", *Journal of Strategic Studies*, vol. 44, no. 1, 2021, pp. 3-35.

6. A *Zeitenwende* in Cyber Security and Defence?

Antonio Missiroli

In a famous speech delivered at the Bundestag in late February, just days after Russia's invasion of Ukraine, German Chancellor Olaf Scholz spoke of a *Zeitenwende* – an epochal turning point – for Europe's security and defence. Ever since, an impressive number of policy measures and military engagements have been undertaken by the members of both the EU and NATO in response to the Russian aggression. In this context, however, the cyber domain occupies a peculiar place, due in part to its unique nature (as an entirely man-made environment that is mostly privately owned and operated), and in part also to the role it is playing in the ongoing conflict.

Cyberwar in Ukraine?

Before the invasion started, and even in the early days of the conflict, most analysts and experts had anticipated that Russia would resort to massive cyberattacks and disruptive actions in the run-up to (and alongside) a kinetic military operation. Moscow had already used (repeatedly and often successfully) cyber "weapons" against Kyiv both before and after 2014 – targeting energy infrastructure, government agencies and communication networks. The general assumption was that it would make the most of its superior assets and capabilities in that domain also in the event of some form of direct confrontation

with Kyiv. Still in late February, Western intelligence services, while providing different assessments of the likelihood of a military aggression by Russia, all agreed on the likelihood of forthcoming hostile cyber operations with a destabilising, disruptive and potentially subversive intent.[1]

In cyberspace, Russian actors – which include the (in) famous Internet Research Agency based in St. Petersburg and a number of so-called Advanced Persistent Threats (APTs) like Fancy Bear, Cozy Bear and Sandworm – tend to operate rather "geopolitically", whether to inflict targeted disruptions or with a broader strategic intent, combining opportunistic and carefully tailored campaigns. Their operations have ranged from the 2017 NotPetya supply chain attack, which inflicted huge financial damage on the world economy, and compromising the networks of the World Anti-Doping Agency (WADA) and of the Organisation for the Prohibition of Chemical Weapons (OPCW), in October 2018, which failed spectacularly and led inter alia to the imposition of cyber sanctions by the EU, to "hack-and-leak" and political interference operations against democratic institutions (e.g. the German Bundestag in 2015) and processes (e.g. the presidential elections in the US in 2016 and in France in 2017) and large-scale disinformation and misinformation campaigns through social media worldwide. Russian "Bears" are widely credited with a high degree of technical sophistication and ingenuity, a focus on strategic targets (including energy infrastructure and military command and control systems), and a remarkable ability to create havoc and engineer new ways of doing old things[2] – albeit still within

[1] See L. Cerulus, "Don't call it warfare. West grapples with response to Ukraine cyber aggressions", *POLITICO*, 18 January 2022, and the interview given by Anne Neuberger, US Deputy National Security Advisor for Cyber and Emerging Technologies, to the *New York Times* ("Are we ready for Putin's cyber war?", 10 March 2022).

[2] T. Rid, *Active Measures: The Secret History of Disinformation and Political Warfare*, New York, Farrar, Straus and Giroux, 2020. For a special focus on cyber operations see A. Greenberg, *Sandworm: A New Era of Cyberwar and the Hunt for the Kremlin's Most Dangerous Hackers*, New York, Doubleday, 2019.

the context of cyberspace as we know it. On top of that, Moscow seems to tolerate (and occasionally use) hackers who operate *from* Russia on condition that they do not act *against* Russia but only (or primarily) against Western or other actors' interests – and it is probably not alone in doing this.

By comparison and in contrast, Chinese state and state-sponsored APTs (often codenamed "Pandas") have long focused on cyber espionage aimed at commercial gain (including through intellectual property theft), later followed by asset acquisition and network control (first along the so-called New Silk Road and then worldwide). Only more recently have they become more assertive also in the global battle of narratives, especially after the COVID-19 outbreak. China, however, is explicitly aiming not only at comprehensive technological predominance in the medium term but also at (re)shaping cyberspace and the Internet. The Chinese "model", as opposed to the still dominant "Californian" model, is centred upon the so-called Great Firewall at home and technological control abroad. It relies on huge manpower resources and close coordination between state authorities and private companies – thus potentially threatening US cyber superiority and fostering a "bipolar" cyberspace or even a "Splinternet".[3]

Turning to the ongoing conflict in Ukraine, it is almost impossible at this stage to make conclusive assessments about what might have gone wrong (or right) from a strictly cyber viewpoint. The very nature of the "weapon" – along with the logic of wartime communications, which tends to conceal or downplay setbacks – makes it hard to determine exactly what

[3] On the main cyber "powers" and their respective strengths see J. Voo et al., *National Power Index 2020*, Belfer Center for Science and International Affairs, Harvard University, September 2020; G. Austin, E. Noor, and G. Baram, *Cyber Capabilities and National Power: A Net Assessment*, London, International Institute of Strategic Studies, June 2021; and A. Missiroli, *Geopolitics and Strategies in Cyberspace: Actors, Actions, Structures and Responses*, Helsinki, Hybrid CoE Paper no. 7, June 2021. Moreover, private cyber security companies like Crowdstrike and FireEye produce regular reports on APTs on their websites.

operations have been launched and what impact they may have had. The few sources of information available to date are Western media reports and statements by experts. On that (limited) basis, it seems legitimate to argue that hostile cyber operations have indeed been carried out by Russia both before and during the conflict but on a smaller scale and with a lesser impact than initially expected or feared.[4]

Already a few hours prior to the invasion and right afterwards, Russian cyber actors apparently deployed destructive malware against various targets in Ukraine, including banking services, civilian communication infrastructure and defence command and control centres. A major cyber-enabled sabotage operation knocked offline the KA-SAT satellite owned by ViaSat – a provider of high-speed broadband services used by Ukrainian military, intelligence and police units but also by others (including many EU and NATO countries) – while numerous website defacements and denial-of-service attacks hampered the immediate response capacity of Ukrainian state agencies. While all these actions did not amount to the overwhelming "shock and awe" cyber offensive some had predicted, they were meticulously prepared in advance – if anything, because they required systematic intrusions and exploitation of existing vulnerabilities – and were planned to coincide with (and support) the initial kinetic effort to seize control of Kyiv in a few days. It is plausible that Moscow envisioned a swift military victory and thus did not see the need for (or the usefulness of) massive disruptions. Moreover, US defensive cyberspace operations prevented further Russian attacks from disrupting the railway networks that were being used to transport military supplies and help millions of Ukrainian citizens to evacuate.[5]

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[4] "Cyberattacks on Ukraine are conspicuous by their absence", *The Economist*, 1 March 2022; F. Manjoo, "The Ukrainian cyberwar that never materialized", *The New York Times*, 12/13 March 2022.

[5] D. Black and D. Cattler, "The Myth of the Missing Cyberwar", *Foreign Affairs*, vol. 101, no. 2, March-April 2022. The Geneva-based CyberPeace Institute has developed a quantitative database of all types and targets of cyberattack linked

When the failure of the initial *Blitzkrieg* became apparent, Russia embraced a different military strategy based on attrition, systematic shelling and more conventional land operations. Its cyberattacks did not stop, however, and even started having spill-over effects on (or directly targeting) EU and NATO countries that were supporting Ukraine. Of course, attribution of those takes time (and may not become public anyway), but European cyber security and defence agencies have been very active and on permanent red alert since March.

The fairly modest impact of Russia's cyber-warriors – at least so far – may be due to a number of distinct yet ultimately converging reasons. The first is Ukraine's increased preparedness: as its weaknesses and vulnerabilities had been well known for a long time even before 2014, both Western governments (on a bilateral basis) and collective organisations (NATO and the EU) had provided technical assistance and training to Kyiv, fostering its resilience and response capacity. The second reason is Russia's likely reluctance to disrupt or destroy critical infrastructure and networks it expected to use (and has indeed used) during the conflict. The third reason is the peculiar configuration of the Ukrainian TLC networks, based upon a large number of Internet service providers, which reduced possible choke points and resulting vulnerabilities[6]. And lastly, there is the mobilisation and intervention against the Russian invasion by both the international hacker community (starting with Anonymous), which put Moscow's own cyber defences under strain, and the West's Big Tech giants (from GAFAM to Elon Musk), which provided extra support to Ukrainian forces.[7]

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to the ongoing war: "Cyberattacks in Times of Conflict - Platform Ukraine" https://cyberconflicts.cyberpeaceinstitute.org .

[6] "Dealing with degradation", *The Economist*, 26 March 2022; M. Srivastava, "Russian hacking warriors fail to land heavy blows", *Financial Times*, 29 March 2022.

[7] M. Srivastava, "Pro-Ukrainian hackers launch 'unprecedented' attack on Russia", *Financial Times*, 7/8 May 2022; G. Tett, "Inside Ukraine's open-source

All these factors are likely to have contributed to mitigating the effects of Russia's hostile cyber activity in and around Ukraine, to such an extent that some have started wondering whether Russia's cyber "power" had been overrated.[8] Yet Russia's cyber-warriors have indeed played their part in the "special military operation" carried out by the Kremlin, and have done so in the framework of an initial "hybrid" war plan whose apparent flaws were probably not their fault. Actually, the scale and intensity of their efforts has been significant (albeit all in the shadows) and may still intensify and diversify as the conflict drags on.

That said, the expectations and predictions about the potential scope and impact of standalone cyber operations in warfare may have been somewhat exaggerated in the first place, as digital weapons still serve mainly as auxiliary tactical tools within a broader political strategy and military campaign.[9] On the other hand, cyberattacks and malicious activities (also of a "hybrid" nature) against the countries and governments supporting Ukraine have escalated since last February and are severely testing the resilience of Europe's economic and political structures – in what is now evidently a long game and a systemic challenge.

Europe's Cyber Security and Defence(S)

When President of the European Commission Ursula von der Leyen, during her 2021 State of the Union address at the European Parliament, announced the EU's intention to develop a cyber *defence* policy as part of its Digital Agenda, officials

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war", *Financial Times*, 23/24 July 2022; M. Scott, "How Ukraine used Russia's digital playbook against the Kremlin", *POLITICO*, 24 August 2022.

[8] M. Srivastava, "Kremlin's cyber abilities may be overhyped, says UK spy chief", *Financial Times*, 11 May 2022.

[9] T. Rid, "Why you haven't heard about the secret cyberwar in Ukraine", *New York Times* (International edition), 21 March, 2022.

in the European External Action Service (EEAS) panicked, wondering what she had in mind. It soon became clear that she was referring to a broader cyber *resilience* posture for the European Union.

Such confusion between cyber *defence* and cyber *security,* however, is not unusual. While there is no universally accepted definition, cyber *security* encompasses – broadly speaking – measures to protect cyberspace from hostile actions. Nowadays, every business, public institution and international body has specialised staff responsible for protecting their networks against unauthorised intrusion from outside of the organisation.

Cyber *defence* refers rather to those measures and authorities that are within the remit of the military or impinge on military capabilities (starting with signal intelligence). Yet cyber *defence* may also be used more generally to convey an action rather than involving a specific actor. At any rate, different definitions reflect different mandates, with many variations across governments and countries: as a result, strengthening cyber "defence(s)" does not necessarily entail involving (only) the military.[10] Most importantly, such responses need not be limited to the cyber domain: on the contrary, several national strategies now make reference to diplomatic, information, military, economic, financial, intelligence and legal (DIMEFIL) measures as part of a comprehensive, "cross-domain" toolbox.

At regional level, both the EU and NATO have equipped themselves to prevent, mitigate and respond to hostile cyber activities against their members by building on their respective strengths and mandates. The EU has boosted its cyber resilience by resorting to its regulatory powers and agreeing new legislation aimed at strengthening the resilience of critical entities and information infrastructure, starting with the Network and Information Systems (NIS) Directive and the EU Cyber

[10] For an overview of the all the main issues related to "cyber" and the nature of cyber conflict, see A. Missiroli, "The Dark Side of the Web: Cyber as a Threat", *European Foreign Affairs Review*, vol. 24. no. 2, May 2019, pp.135-52 (a special thematic issue focused also on the EU, NATO and other multilateral bodies).

Security Strategy, both updated in 2020. It also enhanced its foreign policy response thanks to a dedicated Cyber Diplomatic Toolbox (launched in 2019), which allows the imposition of sanctions against individuals and entities in cases of significant attacks – an option that has already been used on a couple of occasions – and the Cyber Diplomacy initiative (Cyber Direct, funded since 2018 by the Foreign Policy Instrument of the European Commission), which provides policy support, research and outreach at global level.

For its part, NATO has adopted stricter technical criteria for military networks and beefed up its Baseline Requirements to ensure the resilience of critical national infrastructure. The Alliance has also agreed (2019) a Guide for Strategic Response Options to Significant Malicious Cyber Activities (those lying below the level of armed conflict); it has created a mechanism for integrating some offensive cyber tools – the so-called Sovereign Cyber Effects Provided Voluntarily by Allies (SCEPVA) – into its missions and operations,[11] and in 2021 it adopted a new Comprehensive Cyber Defence Policy, updating its 2014 Enhanced Cyber Defence Policy.[12]

Last but not least, besides and beyond EU regulation and NATO standardisation, the computer emergency/incident response teams of the two organisations (CERT-EU and N-CIRC, respectively) signed a bilateral Technical Agreement on the exchange of information about threat actors and techniques in February 2016, cyber elements have regularly been incorporated in crisis management exercises involving the Union and the Alliance, and training platforms have

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[11] Since 2018, several Allies have already made their national "effects" available, in principle, to Supreme Allied Commander Europe (SACEUR), while a Cyber Operations Center (CyOC) - though not a Cyber Command proper - has been set up at NATO Military Headquarters (SHAPE) in Mons. NATO had declared cyber as a domain of military operations - alongside land, sea and air - in 2016.

[12] Most NATO and some EU documents are classified, but much information can still be extracted from their respective websites: www.nato.int, www.ec.europa.eu and www.eeas.europa.eu.

been developed through specialised agencies and centres of excellence. Cyber-related intelligence sharing and capacity building with partner countries (including Ukraine) have also increased significantly and take place more or less informally between government agencies.

Russia's invasion of Ukraine has added extra urgency to all this. Both the Strategic Compass approved by the EU in late March and the Strategic Concept agreed by NATO in late June 2022 emphasise the increasingly "contested" nature of cyberspace – "at all times" – and the intrusion of strategic competition in the digital sphere, with Russia acting as a direct "threat" and China as a growing "challenge". And both documents insist on the need for all their members to enhance "secure communication", preparedness and resilience as well as their posture against attacks.

More specifically, the EU Compass frames cyberattacks by state and non-state actors as part of a broader assessment of unconventional threats that also includes hybrid strategies, disinformation campaigns, political interference, economic coercion and the instrumentalisation of migration by state and non-state actors. In terms of response, it commits to reinforcing cyber *security* (among other things through a Cyber Resilience Act) and to further develop a cyber *defence* policy by increasing cooperation between EU and national cyber defence actors (including military ones) – as well as with "like-minded partners [...], notably NATO" – and by strengthening cyber intelligence capacities. The NATO Concept, in turn, acknowledges that "the European Union is a unique and essential partner for NATO" and that the two organisations "play complementary, coherent and mutually reinforcing roles" also in "countering cyber and hybrid threats" – both of which, incidentally, could lead to the invocation of Article 5 of the Washington Treaty.

The measures taken so far by individual European countries as well as the EU and NATO in response to hostile cyber activities directed against their respective networks, missions and operations may not amount to *strategic* deterrence as we

know it, i.e. the classical combination of denial and punishment (if anything, because in the nuclear domain weapons are *not* meant to be used, while in the cyber domain they are constantly used). Yet they may contribute to *tailored* deterrence by: a) appropriately combining a higher degree of denial (resilience), propensity to expose and stigmatise hostile activity (attribution), and readiness for punishment (not necessarily in kind, i.e. only "intra-domain"); b) constantly adapting "defences" to one's own vulnerabilities and the type of threat actors involved; and c) calibrating responses accordingly and acting jointly.

Conclusion

In sum, cyber security and cyber defence encompass a whole range of civilian and military concepts, authorities and resources which, in turn, require a high degree of coordination, convergence and consistency at both domestic and transnational level. Neither the EU nor NATO, in themselves, have all the necessary tools and competencies, which forces them to collaborate with each other as well as with the indispensable private sector and to complement one another. All the joint declarations released by the leaders of the two organisations since 2016 make that very explicit, and have also been echoed in the G-7 framework.

It must also be clear, however, that both cyber security and cyber defence remain primarily and predominantly *national* prerogatives, with minimal and conditional delegation of powers to transnational or multilateral bodies even in comparison with other (civilian and even military) domains. At the same time, both are also quintessential team sports, so to speak, where all players are only as strong as their weakest link (and some are definitely more vulnerable than others) and where consultation and cooperation across borders and across jurisdictions are vital.

Actually, so far, transnational consultation and cooperation in this domain have mostly occurred multi-bilaterally, i.e. between, on the one hand, individual EU members and, on

the other, the US, in part the UK (especially after Brexit) and other third countries (e.g. Israel). The asymmetry in capabilities – especially in terms of intelligence, situational awareness and response tools – is such that the need for partnering with key Western cyber "powers" against hostile ones has often trumped expectations and demands for more cooperation at EU level proper.

Still, it is precisely among EU members that more needs to be done – for instance, in the framework of Permanent Structured Cooperation (PeSCo), where cyber-relevant projects are few and of limited scope – in order to upgrade the bloc's own collective ability to operate and collaborate credibly with more capable partners. In this domain even more than others, the call for more EU "strategic autonomy" needs to be understood rather as a stronger contribution by Team Europe to joint efforts with like-minded partners – which must also include the private sector, where EU companies are in short supply – than as an aspiration and ambition to go it alone. And it is perhaps not by accident that the only sentence devoted to that notion in the new Strategic Compass directly links "strategic autonomy" with "the EU's ability to work with partners to safeguard its values and interests".

After all, policy cooperation and convergence among like-minded actors are also necessary to support and facilitate global efforts – especially at UN level and with developing countries – to preserve a free, open, secure and stable cyberspace and to deter (or at least discourage and contain) operations that go well beyond what is considered acceptable by the international community. In the specific cyber domain, in other words, Russia's invasion of Ukraine may not have produced a wide-ranging *Zeitenwende*. However, it has provided additional momentum for policy coordination – at EU level and beyond – and further highlighted the strategic relevance of the digital sphere for Europe's security and defence.

7. Rethinking the EU's Approach to Space: The Case of Security and Defence

Daniel Fiott

Space quite literally looms over all aspects of the European Union's (EU) security and defence. From road and maritime traffic management to monitoring the weather and the climate, outer space essentially enables economic life in the Union. This is a fact that in itself warrants a profound and sustained investment in space by the EU. Yet, space is also critical for the Union's security and defence. Not only do satellite constellations and ground installations enable communication between armed forces, but the timing and navigation of military units such as tanks and aircraft would be nearly impossible without satellites. The ability to gather and utilise intelligence would also be severely undermined without space-based infrastructure, especially should there be an absence of satellite imagery and geospatial sensoring and data.

Put quite simply, then, one cannot think of EU strategic autonomy or sovereignty without first achieving autonomy in space.[1] Should Europe's space-based capabilities be undermined, then the EU's ability to provide security and defence for its citizens would be severely tested. It is for this reason that space has arguably witnessed the clearest material

[1] D. Fiott, "The European Space Sector as an Enabler of EU Strategic Autonomy", In-Depth Analysis, European Parliament, 16 December 2020 (last retrieved 7 September 2022).

realisation of the concept of strategic autonomy. Indeed, today the EU can boast of autonomous space capacities that help enable global positioning (*Galileo*) and monitoring (*Copernicus*). Through the European Defence Fund (EDF) and Permanent Structured Cooperation (PESCO), the EU is also working to fill gaps in its space-defence capabilities. Lastly, bodies such as the EU Satellite Centre (SatCen) continue to provide valuable geospatial intelligence for the EU and its partners, including to Ukraine.[2]

Despite the steps already taken by the EU in space policy, there is a need to better understand what role "defence" can play in the Union's space efforts. In a context where other strategic actors are rapidly increasing their presence in space, we should investigate how the EU will meet this challenge through its space-defence outlook and the capabilities it is developing. To this end, in this contribution we look at the forthcoming EU Space and Defence Strategy and the relevant defence capabilities required to make it a reality. Additionally, we analyse the overall strategic context in space and touch upon the relevance of Russia's war on Ukraine for the EU's space and defence efforts. Unsurprisingly perhaps, the contribution concludes that the war and the looming era of strategic competition will make space an indispensable part of the EU's overall defence strategy. However, we need to also look at the challenges and obstacles facing the Union as it seeks to craft an EU Space and Defence Strategy.

Space as a Critical Strategic Domain

Even though the EU has been developing its space policy since the 1990s, outer space is set to establish itself increasingly as a critical strategic domain. Russia's war on Ukraine, for example, underlines the vital role of space as the Kremlin has disrupted internet services in Ukraine to hinder communication between

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[2] "EU to help Ukraine with intelligence from own satellite centre-EU's Borrell", *Euronews*, 1 March 2022.

Kyiv's armed forces and to plunge the civilian population into information darkness by disrupting the ViaSat system. There is also no telling if and how Russia may use space to retaliate against the EU or NATO in the future, even if the November 2021 destruction of an old Russian satellite by Moscow and the resulting debris gives a worrying indication of where events could turn.[3] We already know that the United States and France have complained in the past that Russia has engaged in particularly harmful behaviour in space, with one such incident relating to how Russia loitered close to US and French military satellites.[4]

Yet even beyond Russia's war on Ukraine, outer space is increasingly viewed as a critical component of strategic competition. Such competition appears to be premised on the general idea that the US is in relative decline and that China is becoming a great power. China's space-defence programme is advancing at a rapid pace. In October 2021, it was reported that China had tested a nuclear-capable hypersonic missile that circled the globe before making its way towards a target at high-speed. While some scholars wonder what major difference the introduction of such technology would make to existing deterrence strategies, especially considering that China already has some 100 Intercontinental Ballistic Missiles (ICBMs),[5] officials from the US government went on record as stating that they were surprised by the ambition and speed at which such technologies were used.[6] Such instances form part of a widespread fear in the West that strategic competitors may more deeply align nuclear and space technologies.[7] At present,

[3] See, for example, J. Suess, "Jamming and Cyber Attacks: How Space is Being Targeted in Ukraine", RUSI Commentary, 5 April 2022.

[4] L. Grego, "The Case for Space Arms Control", in M. de Zwart and S. Henderson (Eds.), *Commercial and Military Use of Outer Space*, Singapore, Springer, 2021, p. 82.

[5] T. Wright, "Is China Gliding Toward a FOBS Capability?", IISS Analysis, 22 October 2021.

[6] D. Sevastopulo and K. Hille, "China tests new space capability with hypersonic missile", *The Financial Times*, 16 October 2021.

[7] For example, see R. Vincent, "Getting Serious about the Threat of high Altitude

Europeans lack the capability to track and repel Fractional Orbital Bombardment Systems (FOBS), in other words, nuclear warheads that can be placed into low-earth orbit.

In addition to such threats, however, strategic competition relates to the security and free access of the global commons. A symptom of this trend is that Western countries such as the US, France, Germany and Italy have set up space commands and/or forces, and organisations such as NATO have also invested in a space centre. In March 2022 France also conducted its first-ever military space exercise called "AsterX", which saw crisis response exercises focus on what would happen if key EU space infrastructure were to be knocked offline. Such an event is not the stuff of science fiction, as on 10 July 2019 Galileo's initial timing and navigation services were interrupted for six days. While the board of inquiry into this incident concluded that the interruption was an accident,[8] it does not take an active imagination to see how a cyberattack on Galileo's satellites or ground installations could lead to major disruptions. In particular, such a disruption would have proved even more worrying in the context of Galileo's public Regulated Service (PRS).[9]

Finally, greater congestion in space is also a worrying development for the EU that has strategic implications. While little can be done to avert space weather events such as electromagnetic bursts or solar flares, increased satellite congestion risks increasing the chances of space collisions and space debris. At present, Argentina, Canada, China, EU states, India, Japan, Russia, the UK and the US account for

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Nuclear Detonations", *War on the Rocks*, 23 September 2022.

[8] European Commission, "Galileo Incident of July 2019: Independent Inquiry Board provides final recommendations", 19 November 2019.

[9] The Galileo system is based on an open and commercial Global Navigation Satellite System (GNSS), but it also has an encrypted and secure signal known as PRS. With PRS, Galileo is able to provide governmental actors with a far more secure communications and navigation signal that is better protected from jamming and/or spoofing risks.

83% of total satellites currently in orbit (or 3,772 satellites). This can be broken down into the following: 2,664 (or 70.6%) are owned by the US, 320 by the UK (8.5%), 303 by China (8%), 155 by Russia (4.1%), 47 by India (1.2%), 44 by Japan (1.2%), 42 by EU states (1.1%), 28 by Canada (0.7%) and 21 by Argentina (0.6%). 148 are considered multinational satellites and account for approximately 4% of the total 3,772 satellites. Of this amount, we also know that approximately 13% are directly owned by ministries of defence in China (129 satellites), Russia (125) and the US (233).[10] We also know that commercial operators under the label "new space" are still heavily dependent on public financing, and this blurs the line between the commercial and strategic rationales for space. For example, in January 2022 SpaceX – largely viewed as a commercial firm – won a contract to help transport military supplies around the world via space transportation.[11]

Space and Commerce, Space and Defence

The EU developed its first Space Strategy in 2016 but, since the coming into force of the Treaty of Lisbon in 2009, space has featured as a core EU policy. This Strategy largely framed EU space policy in commercial terms. This is understandable given that the European space industry was worth €8.6 billion in sales in 2021.[12] Nevertheless, even in the 2016 Strategy there was an attempt to identify the linkages between security and commerce in space. In this respect, the Strategy made it clear that the EU needed to invest in space situational awareness (SSA) and government satellite communication (GOVSATCOM)

[10] "Every Satellite Orbiting Earth and Who Owns Them", *Dewesoft*, 18 January 2022.

[11] C. Gohd, "SpaceX snags $102 million contract to rocket military supplies and humanitarian aid around the world: report", *Space.com*, 28 January 2022.

[12] P. Lionnet, "Eurospace facts and figures – key 2021 facts, Press release", *Eurospace,* July 2022.

capabilities, as well as to ensure the protection of space infrastructure.[13]

In 2021, the Union put in place its Space Programme which built on the Space Strategy by investing in the modernisation of Copernicus, Galileo and EGNOS,[14] as well as setting aside financial resources for GOVSATCOM and SSA up to 2027. Furthermore, in February 2022 the European Commission introduced legislation to create a new secure mega constellation of satellites to enhance the digital connectivity of the EU single market and it published a Joint Communication on Space Traffic Management (STM) to ensure that the EU has the legal framework and capacities to deal with greater congestion in space.[15]

Although these measures speak to the security and defence policy needs of the Union, it was felt by Member States that the EU's space efforts were not fully reflective of the changing strategic circumstances. This is why in March 2022 the EU published its first-ever security and defence strategy called the Strategic Compass, which, among its 47 pages, included important elements about the Union's approach to space and defence. In general terms, the Strategic Compass seeks to prepare the EU for an era of strategic competition while also ensuring that the Union thinks in broader and deeper terms about security and defence, i.e. beyond the specific operational confines of the Common Security and Defence Policy (CSDP). In seeking to ready the Union for strategic competition, the Compass emphasised the need for capabilities in areas such as space, cyber and maritime.

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[13] European Commission, "Communication on a Space Strategy for Europe", Brussels, COM(2016) 705 final, Brussels, 26 October 2016.

[14] EGNOS is the European Geostationary Navigation Overlay Service and it serves to improve the security, reliability and accuracy of the Union's Galileo system.

[15] European Commission, "Space: EU initiates a satellite-based connectivity system and boosts action on management of space traffic for a more digital and resilient Europe", Strasbourg, 15 February 2022.

The Strategic Compass and Space

The Compass makes clear that the EU cannot expect outer space to remain free and secure without investments in intelligence and defence capabilities. While the Compass links together space with the air, cyber and maritime domains, the document also acknowledges that such domains can be exploited through hybrid tactics by adversaries and rivals. In this respect, the Strategic Compass emphasises the need for the EU to ensure the resilience of space-based systems from space events (debris or weather) or hostile attacks (jamming or spoofing) and to develop space tracking and surveillance capabilities accordingly. However, the Strategic Compass arguably only touches on space and defence in general terms. This is to be expected in a document that seeks to cover every issue linked to the Union's security and defence, and this also explains why one of the key deliverables of the Compass is the publication of a dedicated EU Space Strategy for Security and Defence.

While this new Strategy should be prepared no later than the end of 2023, therefore likely falling under the programme of the Spanish Presidency of the Council of the EU, work on the space and defence strategy is already underway. For example, the Compass states that the EU will analyse the space-relevant aspects of the Union's solidarity and mutual assistance clauses by the end of 2022. In this regard, exercises should be held to test the principle of solidarity during crises that emanate from or involve the space domain.[16] Such exercises will be important in raising awareness among Member States, especially for those countries that do not have sizeable space programmes but are overwhelmingly dependent on space for security and commerce.

Such a Space and Defence Strategy will be useful from the perspective of framing the Union's strategic approach to outer space. As with most recent EU strategies, we should expect the

[16] Council of the EU, "A Strategic Compass for Security and Defence – For a European Union that protects its citizens, values and interests and contributes to international peace and security", Brussels, 7371/22, 21 March 2022, p. 28.

Strategy to represent a mix of political framing and deliverables. The framing of the strategic dimensions of outer space will be a politically interesting endeavour, especially as EU Member States have different approaches to securing global commons such as outer space. Some governments will surely find it difficult to look at space as a strategic domain, for fear that this may move away the emphasis on the EU's traditionally commercial focus on space. Other governments, however, will want to use the EU Space and Defence Strategy to mirror national space-military and -industrial preferences and approaches.

Either way, any sound Defence and Space Strategy will need to reflect on how the EU will approach three general threats, risks and challenges in outer space. First, is how the Union will tackle the increasing weaponisation of space. There is already evidence that states like China, India, Russia and the US possess anti-satellite weapons (ASATs). While the EU may not want to develop its own, it will certainly have to think about how it can protect its space-based assets from ASAT attacks. This is not a simple task, not least because ASATs can be dual-use technologies that do not have any obvious military application at first glance. Second, is how the EU will help manage and avoid congestion in space as more commercial operators and countries use space. Greater congestion in space can lead to more frequent collisions of space infrastructure, which can, in turn, create debris that could be fatal to satellites. Finally, is how the EU can deal with disruption through attacks on space- and ground-based infrastructure such as satellites by jamming and spoofing technologies.

Dealing with each of these three broad areas of space and defence has technological and policy implications. Obviously, any defensive strategy against ASATs will have to be based on investments in space tracking and surveillance capacities, but this also applies to dealing with congestion in space. Developing EU capacities to track and survey space is not just a technological process though, because there is a need to understand which institutional and political bodies will be responsible for handing

any future deluge of the data and information that derives from SSA and STM capabilities. The EU already has bodies that could be developed further to handle such a task, including EU SatCen, which already serves as the "front desk" for the Union's Space Surveillance and Tracking (SST) services.[17]

Where dealing with disruption is concerned, a major task for the EU will be to join-up existing initiatives and capacities in domains that support or are dependent on outer space. Cyberdefence and security initiatives are a case in point. The EU has already developed a substantial body of regulation and policy to deal with network and information security. The Union is also in the process of revising its critical infrastructure protection policy, and a large part of this will entail secure space systems. What is more, the EU will need to use these existing policy frameworks for cybersecurity and critical infrastructure to help protect ground-based space infrastructure such as sensors and launch sites. Finally, an essential element of this comprehensive approach will include security of supply chains and raw materials. In this respect, there is a need to ensure that existing resource and supply policies take into consideration the specificities of the space sector.

The EU Space and Defence Strategy will also surely be drafted with one eye on future investments in space under PESCO and the EDF. Indeed, there are already five specific space projects underway in PESCO that focus on early warning and interception capabilities for space-based threats, satellite imagery, SSA, radio navigation and the protection of space assets. Likewise, under the EDF the European Commission has been able to invest €163.8 million in 2022 for 7 projects that specifically relate to space. These projects will help finance capabilities in the areas of air and missile defence, a secure waveform for satellite communications, the protection of Galileo's PRS and other military space systems, the development

[17] EU Satellite Centre, "EU Space Surveillance and Tracking (SST) Service Portfolio now Available".

of Artificial Intelligence-enabled space imagery intelligence and microsatellites for military space surveillance.[18] These investments built on the approximately €85 million invested by the EU in space-defence capabilities and research over the 2017-22 period.[19]

The Challenges and Opportunities Ahead

Forging an EU Space and Defence Strategy is not problem free. Agreeing on a joint understanding of the threats in and from outer space should not cause too much of a dilemma. In fact, by preparing for the Strategy through scenario-based discussions and exercises on space, a deeper and common understanding of the threats, risks and challenges associated with space should take root. In this sense, we should not discount the relevance of exercises and scenario-based discussions on space and defence. Nevertheless, the EU still faces the reality that space and defence fails to capture the interest of senior European politicians, and some Member States, while acknowledging the importance of space, may not have a space industry of sufficient size to warrant sustained political attention. In this respect, any Space and Defence Strategy should create some sort of mechanism or framework in which Member States are encouraged to discuss space and defence issues on a more frequent basis. Otherwise, the risk is that the new Strategy is produced and then swiftly forgotten.

Another challenge associated with any EU Space and Defence Strategy will be ensuring sufficient buy-in from national capitals. For one thing, any effective EU Strategy must rest on political coherence at the Member State level. The issue of "space" in

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[18] European Commission, "Summary of EDF 2021 Selected Projects - Factsheet", 12 September 2022.

[19] European Commission, "European Defence Industrial Development Programme"; and D. Fiott, "Securing the Heavens: How can Space Support the EU's Strategic Compass?", Policy Brief, no. 9, EU Institute for Security Studies, April 2021.

many Member States is split between different ministries and government agencies, and attaining an inter-ministerial agreement on space and defence can be challenging. Indeed, in many Member States space policy encompasses the transport, science, defence and economic portfolios. In countries with coalition governments and where individual political portfolios are split between different political parties, coherence can be even more difficult to achieve. Therefore, while there is a sense of urgency in agreeing to an EU Space and Defence Strategy, political sensitivities must be managed appropriately.

Yet, we should also not be naïve about potential institutional overlap at the EU level. While the Strategic Compass falls within the political remit of the Council of the EU and the European External Action Service, the EU Space Programme and the EDF fall under the control of the European Commission. Thus far, there has been a commendable working spirit on space and defence between EU bodies. However, inevitably, the Space and Defence Strategy will lead to questions about which institution or body ultimately leads on space and defence in the EU. In this sense, while the EU certainly needs a dedicated space-defence strategy, greater efforts are needed to avoid a 'silo-isation' of space-relevant EU policy. For example, to date the EU has developed policy in the areas of cyberdefence, critical infrastructure protection and maritime security, each of which heavily relates to and relies on space. Each of these policies, however, is split across different EU bodies and so the Space and Defence Strategy should be conceived as a way to reinforce and tie together the Union's wider initiatives.

However, an EU Space and Defence Strategy can be an extremely important element in developing further EU-NATO cooperation in space. We should keep in mind that space does not feature in the current EU-NATO Joint Declarations. As far as NATO is concerned, its 2019 Space Policy recognised space as an operational domain, and Alliance leaders even went as far as stating that attacks to, from or within space could lead to the invocation of Article 5 – NATO's collective defence clause. For

the EU, however, it is unclear how space should be treated in the context of the Union's own mutual assistance clause, which calls for a response in case of an act of armed aggression on the territory of an EU Member State. In this sense, the EU Space and Defence Strategy could allow the Union to clarify how it would react in case of an invocation of either NATO's or the EU's defence clauses. Ensuring information exchange between the two organisations on outer space will be increasingly important.

Finally, a dedicated EU Space and Defence Strategy can help deepen and accelerate how the Union engages with and thinks about space, especially in the industrial domain. We have already seen how the issue of defence and space touches upon issues such as security of supply or raw material security. We should also recognise that any meaningful EU strategic presence in space will rely on technological innovation and a political commitment to financially sustaining the space sector. In particular, the EU needs to use its reflection on space and defence to better understand the space sector. Today, media houses and companies are engaging in a substantial effort to promote "new space" with the underlying idea that commercial firms are the future of space exploration and use.

While one cannot deny the importance of space start-ups, the "new space" doctrine overlooks the simple fact that it is still largely government money that supports space launches and activities. Therefore, when reflecting on the interplay between space and defence, the EU should recognise that most facets of space use have a geopolitical and strategic dimension. In this respect, if the EU Space and Defence Strategy helps the Union further leverage its financial and political resources to support the European space industry, this can be considered a success. This point is particularly important because Europe is lagging behind other great space powers when it comes to the number of launches undertaken or a more permanent presence in outer space. If we agree that the coming era of strategic competition will also spill over into outer space, then the EU has no option but to maintain and extend its ambition for space. The European economy and its security depends on it.

Conclusion

This contribution has shown how space is increasingly becoming a strategic domain for the EU. Space is a location where accidents can occur and space weather or debris can affect the proper functioning of space infrastructure such as satellites. Malicious activities are on the rise, however, with jamming and spoofing becoming a normalised aspect of warfare, and cyber threats and nuclear weapons complicating how space is being used. Space is also becoming increasingly congested with satellites, but commercial operators occupy a grey area where they can conduct services on behalf of military and government actors. For the EU, this means a need to invest in space-defence capabilities, which it is doing through the EDF and PESCO in areas such as space tracking, secure communications and cyberdefence. Since the adoption of the Strategic Compass in March 2022, the EU has also pledged to develop a specific Space and Defence Strategy.

This contribution has welcomed such as Strategy as a way for the Union to balance its focus on space: from a largely commercial policy domain to one that includes defence too. It has been argued that the exercises that will feed into the Strategy will be a way for the EU to attain a higher political appreciation for the relationship between space and defence. The Strategy can be used to enhance the interest of Member States that do not have their own space programme, and it may even lead to a reflection at the domestic level about how best to manage space-defence issues across various ministries. Even for EU institutions and bodies, the Strategy can help streamline decision-making and bring added coherence to the EDF, the Space Programme, PESCO and other EU policies. Such a Strategy may even pave the way for EU-NATO cooperation on space. Overall, such a Strategy – combined with the space-defence capabilities being invested in – reflects a coming of age for an already well-established space actor such as the EU.

Conclusions. European Defence: Quantum Leap or Limbo?

Giovanni Grevi

As the opening of this Report illustrated, Russia's attack on Ukraine has sent shockwaves across Europe and the world. The war has shaken Europeans out of the complacency that had long surrounded and stifled their approach to European security and defence. Despite recurrent security crises and conflicts in the EU's neighbourhood, the incremental weaponisation of interdependence and intensifying competition among the great powers, most Europeans did not believe that a direct, conventional military threat confronted Europe. Russia's aggression has shattered Europe's comfort zone, forcing Europeans to reconsider what it takes to provide for their security in a deeply destabilised strategic context.

In the immediate aftermath of Russia's invasion, EU and national leaders stressed the gravity of the hour and committed to a firm response to deny Moscow the achievement of its goals in Ukraine. Within days and weeks from the outbreak of the war, Europeans took unprecedented action to support Ukraine militarily, on top of taking harsh punitive measures against Russia, which have since been expanded by eight packages of sanctions. Furthermore, most EU Member States have committed to significant increases in defence spending over the coming years, with Chancellor Scholz unveiling a massive €100 bn defence package to restore Germany's military – a major breakthrough for a country that has long been wary of military power.

This flurry of ambitious statements and commitments, after years of severe underinvestment, invites the question whether European defence is undergoing a shift in rhetoric or a real shift of paradigm. This assessment is influenced by three main benchmarks of change – culture, capabilities and responsibility. In other words, whether or not a paradigm shift is emerging for European defence depends on the extent to which European strategic cultures are converging, on collaboration among Europeans in generating new military capabilities, and on the role that Europeans will be willing to play to uphold their own security. Implementation of the Strategic Compass (SC) over the coming months and years will offer decisive evidence of actual progress, or of the lack of it.

The experts who contributed to this report sense a moment of opportunity to foster cooperation on security and defence issues within the EU and make important recommendations to that end. However, they underscore the enduring systemic challenges facing the EU defence agenda and withhold their judgment on prospects for the "quantum leap forward" advocated by the SC.[1]

Culture Matters

A more consistent, coordinated and effective approach to EU defence policy is predicated on the convergence of the strategic cultures of EU Member States, in other words on the shift from strategic "cacophony" to a more homogeneous assessment of the threats facing Europe, of the means by which to respond to them, and of the role of the military instrument within Europe's toolbox. While Russia's attack on Ukraine constituted a shock for Europeans, and spurred them into action, the question is whether this shock has been deep enough to reshape threat

[1] Council of the European Union, *A Strategic Compass for Security and Defence. For a European Union that protects its citizens, values and interests and contributes to international peace and security*, 21 March 2022.

assessments and the consequent priorities of national defence policies across Europe. Efforts to enhance the convergence of national strategic cultures predate the war in Ukraine. Most recently, EU Member States engaged in the definition of a shared threat assessment in 2020, in the run up to the drafting of the SC in 2021-22. That was regarded as a useful exercise to better appreciate respective priorities and build trust among EU countries. At the same time, following the outbreak of the war only a few weeks before the publication of the SC, the drafters of the document swiftly acknowledged that their threat analysis was already outdated, and needed to be reviewed by the end of 2022.

On one level, the war in Ukraine has arguably triggered significant convergence among strategic cultures across the EU. Regarded before the war as a potential threat, a problematic neighbour or a transactional partner on some issues (such as energy supplies), depending on the assessment prevalent in different EU capitals, Russia is today considered by all Member States a critical threat to Europe's security. Countries such as Germany and Italy, traditionally seeking some degree of engagement with Russia, have perhaps covered the longest distance in this shift of perceptions.

On another level, however, as Coticchia points out in this report, the ongoing war has not bridged the differences among national strategic cultures that continue to affect Europe's foreign, security and defence policies. For example, he observes, the "enlarged Mediterranean" remains the priority theatre for Italy's national defence planning. On top of that, if Russia is currently regarded as a threat by all Member States (though the perception of the severity of this threat varies depending on national vantage points), the latter do not necessarily share the same views on how to cope with this threat, as demonstrated by different attitudes to delivering military support to Ukraine.

At the same time, as Biscop notes, it is increasingly difficult to draw a neat distinction between the challenges facing Europe along its eastern and southern flanks, given Russia's military

presence in the Middle East and Africa as well as Europe's increasing dependence on energy supplies from countries to the south. The geopolitical fracture determined by Russia's attack in the east therefore entails potential threats for flow security and for the stability of fragile countries and regions in Europe's southern neighbourhood.

A related question raised by Biscop, and relevant to the evolution of a shared strategic culture in Europe, concerns the balance between the requirements for collective defence and deterrence on the one hand and crisis management on the other, in shaping the European defence debate and cooperation. The author rightly argues that both dimensions are pivotal to Europe's security, while territorial defence remains chiefly the responsibility of NATO. It is difficult, however, to anticipate the impact of the war in Ukraine on the readiness of Europeans to deploy sizeable expeditionary forces in unstable regions away from their continent. That will depend both on their political will and on their actual ability to do so, in short, on the further convergence of their threat assessments as the basis for joint decisions, and on the capabilities required to effectively implement decisions through military means, when needed.

Capability Blues

Military capability shortfalls have long hampered Europe's capacity to act and undermined the aspiration of enhancing Europe's strategic autonomy or sovereignty. Since the end of the Cold War and even more seriously in the aftermath of the 2008 financial crisis, under-investment has hollowed out the armed forces of EU Member States. By some estimates, over the last two decades Europeans have lost over a third of their capabilities.[2] Based on data from the European Defence Agency

[2] C. Mölling, T. Schütz, and S. Becker, "Deterrence and Defence in Times of COVID-19: Europe's Political Choices", German Council on Foreign Relations, 9 April 2020.

(EDA), aggregated underinvestment over the 2009-18 period, compared to 2008 spending levels, stands at a staggering €160 billion.[3]

Defence spending by EU countries bottomed in 2014, rising to about €200 bn in 2020 – only a modest increase in real terms compared to 2008.[4] In the first part of 2022, the "return of war in Europe", as the SC put it, drove Member States to pledge rises in defence spending for an overall amount of above €200 bn over the next few years. In the Versailles Declaration in March 2022, EU leaders committed to "resolutely invest more and better in defence capabilities and innovative technologies".[5] While increasing defence spending is necessary, the key to achieving a quantum leap in capability development will be the quality of such spending and whether that will result into closer cooperation among EU countries.

In his contribution to this report, Locatelli stresses how fragmentation of the European defence market and disjointed national defence planning cycles have severely affected the output of European defence investment, weakening the European defence technology and industrial base (EDTIB), leading to duplications and impairing the interoperability of European forces. The author notes that the war in Ukraine has amplified the debates and exposed the problems that have shaped and constrained European defence policies for decades.

In recent years, somewhat contradictory developments have taken place. On the one hand, new arrangements to frame and encourage collaborative defence research and capability development have been established since 2016 – the "package" including Permanent Structured Cooperation (PESCO), the

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[3] European Commission, Joint Communication to The European Parliament, the European Council, the Council, the European Economic and Social Committee and The Committee of the Regions *on the Defence Investment Gaps Analysis and Way Forward*, Brussels, 18 May 2022.

[4] European Defence Agency, "Defence Data 2019-2020", 2021.

[5] Informal meeting of the Heads of State and Government, Versailles Declaration, 10 and 11 March 2022.

Coordinated Annual Review of Defence and the European Defence Fund. On the other hand, over the same timeframe, the share of collaborative research and procurement among EU Member States actually fell far below the agreed targets.

Various reports by EU institutions point to several challenges hampering the recently established cooperative frameworks, notably concerning the limited commitment of Member States to joint projects and goals. It may, of course, be premature to draw conclusions on the performance of these arrangements, which may need a longer timeframe to nudge Member States towards deeper cooperation and to deliver major results. However, as Locatelli argues, decreasing levels of joint research and procurement point to the fact that (modest) economic incentives, and a bottom-up approach that leaves full discretion to Member States on their respective defence planning priorities, are inadequate levers to make a real difference to the development and procurement of military capabilities at EU level. Against this background, it has been noted that European defence risks facing a "reverse 2008 scenario", moving from the uncoordinated spending cuts of 2008 to equally disjointed increases in defence expenditure today.[6]

The SC expressed a new sense of urgency for Europeans to "spend more and better", outlined a set of priority areas for investment and tasked the European Commission and the EDA to submit (yet another) analysis of defence gaps, including proposals on how to fill them. The resulting Communication of May 2022 points to some interesting innovations to sustain joint procurement through a new short-term financial instrument, which is expected to be adopted by the end of 2022, and broader frameworks to sustain collaborative procurement over the long term.[7]

[6] N. Koenig, "Putin's war and the Strategic Compass. A quantum leap for the EU's security and defence policy?", Policy Brief, Hertie School Jacques Delors Centre, 2022.

[7] Joint Communication to The European Parliament, the European Council, the Council, the European Economic and Social Committee and The Committee of

The EU can play a pivotal role in ensuring more effective and better targeted defence investment across Europe. Whether it will succeed, Locatelli argues, will depend, however, on a much larger range of factors than financial incentives, such as the better engagement of national defence planners in EU processes, the actual priorities of major national defence companies, and the scope for cooperation with pivotal British industrial defence players in the aftermath of Brexit. At a time of looming economic recession in Europe, broader debates on financial solidarity and on possible new arrangements for joint borrowing to help EU countries withstand high energy costs without curtailing critical investment will help define the space for "more and better" spending in the defence sector.[8] Overall, Locatelli concludes that much stronger political steering at EU level is necessary to escape the trap of the lowest common denominator among Member States that remain reluctant to join forces on a suitable scale. Besides, as Coticchia points out, much more effort should be put in engaging the public in a truly strategic debate about European defence. Such debate would help achieve convergence around, and stronger political backing for, joint priorities.

Taking Responsibility?

Setting the right priorities will be crucial for larger collaborative investments to actually equip European armed forces with the capabilities they need to operate. Capability gaps in strategic enablers and in intelligence, surveillance and reconnaissance (ISR) have long been recognised. Successive EU documents, including the SC, point to largely overlapping priority areas for joint defence investment. At the same time, various authors in this report have observed that, following Russia's attack on

the Regions *on the Defence Investment Gaps Analysis and Way Forward*..., cit.

[8] I. Bond and L. Scazzieri, "The EU, NATO and European Security in a Time of War", Centre for European Reform, 5 August 2022.

Ukraine, issues of deterrence and collective defence have become much more prominent in the European defence agenda, beyond the traditional EU focus on (the low-end of) crisis management operations. European armies need to be prepared for much more demanding tasks, in much less permissive environments, up to conventional warfare against large state powers. It is therefore important to follow up the SC commitment to revise the Headline Goals process and adapt planning scenarios, as a basis for a sharper focus on priority capability goals that match Europe's increasingly destabilised strategic environment.

This process cannot be de-linked from addressing the fundamental question of Europe's responsibility for its own security – what Europeans aim to be able to do through their military forces, on their own or alongside allies. Over and above a mostly artificial political controversy that poses supposed Atlanticism (sometimes used as code for just delegating any serious defence matter to the US) against an alleged Europe-first approach (which would neglect the obvious importance of NATO for European defence), this is the question at the core of a reasonable debate on European strategic autonomy in defence matters. As noted by Coticchia, Fasola and Lucarelli, the war in Ukraine has undoubtedly reaffirmed the centrality of NATO as the primary framework for organising deterrence and collective defence in Europe. That said, the role of Europeans both within and without the Alliance, when they may need to operate on their own, is to be assessed against deeper changes in Europe's strategic context, and in NATO's own force posture.

Russia's aggression in Ukraine, while refocusing Washington on Europe, does not appear to have fundamentally altered the structural transition in America's grand strategy towards prioritising the Indo-Pacific and the multi-dimensional challenge posed by China. This is not, and has never been, an either/or question. Making the Indo-Pacific the area of maximum strategic investment for the US does not mean that Washington will neglect other important theatres. It does mean, however, that the US will expect much more heavy

lifting from their allies to cope with security threats in their respective regions. This is of course not a new demand, but the war in Ukraine and the shockwaves it has generated across the EU's neighbourhood underscore two additional issues: first, the question of whether Europeans need to be prepared to carry out high-intensity operations, in or outside the context of NATO, can no longer be eluded; second, there is a need to explore the implications for Europeans of their growing dependence on supply routes for energy and critical materials that pass through unstable or geopolitically contested spaces, from the Mediterranean to the Middle East and the Indian Ocean. This relates to the implementation of the EU Rapid Deployment Capacity (RDC) envisaged by the SC, and to the development of larger European integrated force packages that Biscop tackles in his contribution.

The EU and NATO: What Way Forward?

The partnership between the EU and NATO is, as ever, work in progress, and it is likely to remain so for the foreseeable future. Progress has certainly been achieved at working level through successive joint declarations since 2016, including several areas for cooperation such as hybrid threats, cyber security and defence, strategic communication and the maritime domain. Consultations between the EU Political and Security Committee and the North Atlantic Council take place regularly and dialogue between the leaderships of the two organisations has intensified. However, the long-standing political problems that have constrained mutual cooperation, such as those concerning the relations between Turkey, other allies and EU member Cyprus, have not been overcome.[9] That said, Russia's attack on Ukraine has revamped NATO's core business of deterrence and defence, underscored the vital role played by the US in supporting Ukraine and guaranteeing the security of

[9] Ibid.

European allies, and driven Finland and Sweden to apply for membership of the Alliance.

Various authors in this report feel that the war in Ukraine marks a turning point in the relationship between the EU and NATO and offers an opportunity to strengthen their partnership. The current debate, however, encompasses different views on what deeper cooperation between the two organisations should look like and, more particularly, what the role of the EU should be in this context. The contributions by Fasola and Lucarelli, for one, and Biscop, for another, call for the EU to play a pivotal role in establishing some sort of "European pillar" within NATO. However, these authors appear to hold different interpretations of what this means and entails.

Fasola and Lucarelli stress that the parallel deepening of both the EU and NATO is a much preferable option to the alternatives, namely the pursuit of bilateral defence deals between individual countries and the US or the vain pursuit of complete military self-sufficiency by Europeans. They argue that the EU could bring a major contribution to NATO by enhancing the coordination of national defence planning and by scaling up incentives to increase defence spending and expand industrial cooperation among European nations. At the same time, they argue that the EU should focus on non-military security tasks, such as those related to energy security, and refrain from engaging in military tasks that NATO would be better placed to carry out.

In his contribution, Biscop assesses the implications for Europe of the so-called New Force Model adopted alongside NATO's new Strategic Concept at the Madrid Summit in June 2022. He argues that, under NATO's new military posture, the bulk of the high-readiness forces responsible for sustaining and repelling a potential attack along the eastern flank would have to be provided by Europeans. For this task to be carried out effectively, Europeans would need to establish permanent multinational formations that would provide the backbone of conventional deterrence and defence in Europe – the "European

pillar" of NATO. The author maintains that cooperating through the EU would be essential to generate the capabilities that would empower such European multinational force packages. At the same time, the latter would be available not only to NATO, but also for deployment through ad hoc coalitions or EU operations, providing EU foreign policy with an operational arm.

These two contributions aptly illustrate the variety of approaches within the protracted debate on the role of Europeans in Europe's security and defence – positions that date back decades and were already reflected in the landmark 1998 Franco-British Saint Malo Declaration, where different perspectives converged without being truly reconciled. Some essentially regard EU defence cooperation as directed to delivering capabilities for use by Member States in the context of NATO or ad hoc coalitions, while the EU deals with mainly civilian tasks. Others call for Europeans to develop not only their capabilities but also their capacity to take action through integrated force packages that would be available to NATO but also provide the EU with the means to uphold its own interests, when necessary. These positions are not necessarily mutually exclusive but much more work is required to leverage them under a consistent strategic vision, which the SC contributes to shaping, with the aim of making Europeans more responsible for their security and less dependent on others without challenging NATO's centrality for collective defence.

As this debate unfolds, it is important to extend the analysis of the prospects for EU defence policy to those domains that, on the one hand, are crucial to enabling all functions of society and, on the other, are increasingly weaponised – namely cyber space and outer space.

Defending Connectivity: Cyber and Space

The war in Ukraine both reflects and exacerbates underlying trends indicative of a revival of great power competition across multiple domains. The global commons are becoming

increasingly contested spaces and all sorts of flows can be manipulated for strategic purposes. In this report, Missiroli and Fiott share important insights on the EU's approach to securing connectivity in cyber space and in outer space. These two domains are of course closely interlinked in that, for example, space-based assets are critical to the provision of a vast range of digital services. Both threats to digital and space infrastructures and the malign use of cyberspace by hostile actors carry cross-cutting implications affecting all aspect of life in contemporary societies, on top of potentially harming the viability of highly networked armed forces.

Within the cyber domain, hyper-connectivity dramatically expands the so-called "attack surface" in a virtual space populated by billions of users and connected devices, whereas the capabilities to defend against major attacks (from deterrence to attribution and response) are asymmetrically distributed. Missiroli argues that this calls for a high degree of cooperation among like-minded cyber-powers, advancing the experience of "multi-bilateral" cooperation between EU members states, the US, the UK and other partners. The EU has a significant track record of regulations and other measures aimed at enhancing the resilience of cyber infrastructures and, in 2019, launched the Cyber Diplomacy Toolbox – a mechanism to impose sanctions in response to cyber-attacks. The SC outlines various commitments to enhance Europe's resilience against hybrid and cyber threats including, with regard to cyber defence, the adoption of a new Cyber Resilience Act, strengthening cyber intelligence capabilities and enhancing cooperation between military computer emergency response teams. While these initiatives go in the right direction, Missiroli notes that cyber-security and cyber-defence remain chiefly national prerogatives. Against this background, the author calls for deeper cooperation among EU Member States not to pursue an unviable go-it-alone approach but to scale up the contribution of "Team Europe" to joint efforts with partners in the public or private sectors.

The space domain is, Fiott maintains, central to any ambition to advance Europe's strategic autonomy or sovereignty. While space infrastructure enables connectivity, risks and threats are proliferating in this domain, whether related to space congestion, malicious activities or the development of anti-satellite weapons. This is a domain where the EU holds significant autonomous assets, such as the Galileo positioning system and the Copernicus monitoring system. However, major powers are scaling up their presence and capabilities in space, and this requires heightened attention and sustained investment by the EU and its Member States.

The SC includes a pledge to adopt an EU Space Strategy for security and defence by the end of 2023. As with other "strategy-making" experiences at EU level, both the process and the output will be important. As Fiott notes, the former, in particular if leading to a framework for regular dialogue on space and defence issues, will be useful for engendering a shared understanding of the security challenges in space, and of the approach required to deal with them, among Member States and various bureaucratic actors. This can be an important contribution to shaping a shared strategic culture with regard to a relatively new strategic domain. Concerning the focus of the envisaged Strategy, there is a need to counter threats, devise a joined-up approach encompassing broader measures related to security in space (such as critical infrastructure protection) and ensure that Europe maintains an adequate industrial basis to sustain its presence, role and security in space. In addition, the author argues that the Strategy can pave the way to cooperation between the EU and NATO in space – an area that has not yet been mentioned in EU-NATO joint declarations.

A Moment of Truth for European Defence

A review of the main findings of this report suggests that Russia's attack on Ukraine has been a painful wake-up call for Europeans, exposing glaring gaps in European capabilities,

challenges for the European defence industrial base to scale up production to respond to pressing needs, and the lack of an overarching plan to ensure that investment is well coordinated and therefore better targeted over the short as well as the long term. Renewed evidence of the centrality of NATO in defending Europe may furthermore detract political attention and Member States' engagement from EU-level cooperation in defence matters.

The Strategic Compass adopted in March 2021, just a few days after the powerful statement of the Versailles Declaration about building "European sovereignty", sketches out a cogent set of priorities for turning the new sense of urgency into concrete deliverables over a clear timeframe. The SC, of course, does not provide definitive solutions to the deep-rooted problems and ambiguities that have long affected EU security and defence policies, and that the war in Ukraine has magnified. However, it is an important milestone, whose timely implementation would go a long way to demonstrating how serious EU Member States are about taking a "quantum leap forward to develop a stronger and more capable European Union that acts as a security provider", to quote the SC again.

Overall, the contributions to this report suggest that the European defence policy may not be on the threshold of a critical juncture – a moment of drastic policy change. But the EU and its Member States are surely facing a critical juncture in the strategic environment that Europe needs to deal with – a moment of truth concerning the credibility of the EU as an actor in security and defence. The consistent, sustained and coordinated pursuit of the set of agreed priority measures outlined in the SC would be the minimum requirement to show that Europeans have not just shifted their rhetoric, but are also entering a new paradigm to empower European defence.

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