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# The Case for EU Defense

## A New Way Forward for Trans-Atlantic Security Relations

U.S. opposition to EU defense efforts since the 1990s has been a strategic mistake that has undermined both the EU and NATO. It's time for a new U.S. approach that encourages ambitious EU defense strategies.

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The Dutch warship used by the EU Naval Force is pictured at the French military base in Djibouti in May 2015. (Getty/Carl De Souza/AFP)

## Introduction and summary

The state of European defense is not strong.

The level of Europe's defense spending and the size of its collective forces in uniform should make it a global power with one of the strongest militaries in the world. But Europe does not act as one on defense, even though it formed a political union almost 30 years ago. Europe's military strength today is far weaker than the sum of its parts. This is not just a European failure; it is also fundamentally a failure of America's post-Cold War strategy toward Europe—a strategy that remains virtually unchanged since the 1990s.

Europe's dependence on the United States for its security means that the United States possesses a de facto veto on the direction of European defense. Since the 1990s, the United States has typically used its effective veto power to block the defense ambitions of the European Union. This has frequently resulted in an absurd situation where Washington loudly insists that Europe do more on defense but then strongly objects when Europe's political union—the European Union—tries to answer the call. This policy approach has been a grand strategic error—one that has weakened NATO militarily, strained the trans-Atlantic alliance, and contributed to the relative decline in Europe's global clout. As a result, one of America's closest partners and allies of first resort is not nearly as powerful as it could be.

European militaries have now experienced decades of decline. Today, much of Europe's military hardware is in a shocking state of disrepair. Too many of Europe's forces aren't ready to fight. Its fighter jets and helicopters aren't ready to fly; its ships and submarines aren't ready to sail; and its vehicles and tanks aren't ready to roll. Europe lacks the critical capabilities for modern warfare, including so-called enabling capabilities—such as air-refueling to support fighter jets, transport aircraft to move troops to the fight, and the high-end reconnaissance and surveillance drones essential for modern combat. European forces aren't ready to fight with the equipment they have, and the equipment they have isn't good enough.

This is a European failure—but Washington has played a critical, if underappreciated, role in precipitating this failure. The American answer to European weakness has been to push NATO member states to spend more on defense.<sup>1</sup> As a result, defense spending has become the defining issue of trans-Atlantic relations in the 21st century. For more than two decades, both Republican and Democratic administrations have vigorously pressed European capitals to bolster their national forces in support of NATO. No other topic has so consumed Washington's engagement with Europe than the state of Europe's defense forces.

In the view of Washington, the only way to address Europe's defense shortfall is for European nations to spend more. However, this focus on national defense spending levels—embodied by NATO members' 2014 commitment to spend 2 percent of their GDP on defense—simply has not worked. European defense today remains anemic despite noticeable increases in spending.

In a departing speech to NATO allies in 2011, then-U.S. Secretary of Defense Robert Gates lamented:

**The non-U.S. NATO members collectively spend more than \$300 billion U.S. dollars on defense annually which, if allocated wisely and strategically, could buy a significant amount of usable military capability. Instead, the results are significantly less than the sum of the parts.<sup>2</sup>**

Yet for Gates and U.S. policymakers, there was no other way than European states spending more:

**In the final analysis, there is no substitute for nations providing the resources necessary to have the military capability the Alliance needs when faced with a security challenge. Ultimately, nations must be responsible for their fair share of the common defense.<sup>3</sup>**

As this report argues, there is another way. There is no better vehicle to integrate European defense than the EU. Seven decades ago, Europe began a project that has integrated sector after sector, forging a common market and an economic union. Then, after the end of the Cold War, Europe took another transformative step, forming a political union with the creation of the European Union. The EU set out the goal of developing a common security and defense policy, but progress has been slow. It is time for the EU to accelerate the process of forming a defense union.

To be clear, EU defense will in no way replace or displace NATO. The NATO alliance is the most successful military alliance in history because it forged an unbreakable bond across the Atlantic, uniting the United States and Canada with Europe. Additionally, there are prominent European countries, such as Norway and the United Kingdom, that are not members of the EU. EU defense, therefore, could never replace NATO's critical role. Instead, as this report argues, the EU could help strengthen the alliance by building a stronger European pillar, creating a more unified, efficient, and capable partner for the United States through NATO.

A major shift is needed because the current problems plaguing European defense are structural. The problem with European defense is less about spending and more about fragmentation. Each European country has its own distinct national military, leading to incredible inefficiencies and waste. NATO does its best to coordinate the hodgepodge of European forces and plays a vital role in focusing on clear gaps in capabilities, setting priorities, establishing commitments, and coordinating forces. NATO's role is crucial in stitching together 30 national military forces into a military alliance capable of acting together. But marginal spending increases dispersed among individual states does not provide nearly the benefit in security as it should. Strengthening European defense is therefore not just about spending but also about addressing the incessant fragmentation, duplication, and waste.

Furthermore, Europe is transforming in ways that require NATO to adapt. In forming a political union, Europeans not only banded together, ceding significant sovereignty to the EU, but they also agreed to become EU citizens. Citizens of EU member states therefore became EU citizens as well, gaining common rights, privileges, and protections. As a result, this has blurred the perception of responsibility for defense and foreign policy between the EU in Brussels and the national capitals. But while present U.S. policy has blocked the EU from developing the hard-power tools to protect its EU citizens, there is consistent and overwhelming public support for greater EU involvement in defense. Yet there is no similar support for greater defense spending at the national level.

This leads to a common misunderstanding. The limited support for national defense spending, and the lack of public concern for the poor state of many of Europe's national militaries, is not because Europeans became pacifists or are free riders. It is because the current threat to most Europeans is a threat to Europe writ large, not to their individual nations. In other words, the citizenship that needs protection for many in the EU is not their national citizenship but their EU citizenship. As a result, EU citizens may reasonably question the point of spending more on national defense when protecting EU citizens should logically be an EU responsibility. EU citizens understand what it means for the EU to have a greater role and support its involvement in defense. As political scientists Kaija E. Schilde, Stephanie B. Anderson, and Andrew D. Garner conclude, the "slow progress of integration in [defense] is due to the reluctance of elites rather than to the reticence of Europe's citizens."<sup>4</sup>

This is a major structural shift that Washington and NATO simply must reckon with. But, instead of seeing this development as a challenge to the current structure of the NATO alliance, it should in fact be seen as a huge opportunity. The once seemingly impossible task of integrating European forces and addressing fragmentation and redundancies has now been made possible through Europe forming a political union.

Yet U.S. policy has consistently opposed EU defense efforts since the late 1990s, arguing that EU defense efforts would undermine NATO. State Department officials' oft-repeated claim, virtually unchanged over the past three decades, is that an EU defense structure would "duplicate" NATO, making the treaty organization obsolete. Democratic and Republican administrations have repeated the mantra "no duplication" so often that it has become U.S. policy doctrine.<sup>5</sup> But rarely, if ever, is the concern about possible duplication actually unpacked and assessed.

This report rejects the notion that NATO and EU defense are incompatible and at odds. Supporting EU defense does not mean choosing the EU over NATO. This is a false choice and a faulty premise. The EU and NATO are not opposing organizations. They are, in fact, fundamentally tethered. Implicit in U.S. opposition is a fear of a powerful EU that could supplant NATO and become a thorn in America's side. But the EU is not divorced from the 21 NATO member states that make up the EU. If the EU and United States became rivals, then NATO would itself be obsolete, as it would be divided against itself. Such fanciful scenarios would not be the result of the EU developing a defense capacity but the result of a massive diplomatic breakdown. Such a breakdown is highly unlikely, and U.S. foreign policy should be doing everything possible to avoid this scenario.

As this report argues, the EU could significantly strengthen NATO and the trans-Atlantic alliance. Integrating European forces, acquiring key capabilities, rationalizing and harmonizing the sprawling EU defense sector, and investing in cutting-edge research are some of the areas where the EU could play a critical role. As the EU develops its own defense capabilities, there would inevitably be some institutional overlap and duplication with NATO, just as there is with any other national military. But even if the EU's defense efforts were to create some overlap and institutional friction, this would be a rather small bureaucratic concern—one that could easily be addressed by better EU-NATO coordination. Yet the bureaucratic worry over duplication has been elevated to such an extent that it has become untethered from its actual significance, which is quite minor. Instead of fretting over bureaucratic trivia, the United States and NATO should focus on incorporating the EU defense effort into NATO and embedding the EU in the Atlantic framework.

Skeptics will scoff at the potential for EU defense, pointing to the limited and highly bureaucratic nature of current EU defense efforts. But Washington's opposition has created a feedback loop that has blocked progress on EU defense. U.S. opposition makes putting forth bold or ambitious defense proposals unrealistic, leading the EU to propose niche initiatives that are often highly constrained bureaucratic endeavors with little ambition. This then reinforces the view in Washington that the EU is incapable of doing defense. The limited nature of current EU defense efforts is no doubt the fault of the EU. But the immense agency the United States has on European defense questions is also undeniable. Since the 1990s, the United States has wielded its influence, often by mobilizing EU members that are most dependent on U.S. security guarantees to block or constrain EU efforts.

Thus, for nearly 25 years, the United States has opposed the federalization of European foreign and defense policy at the EU level. Instead of continuing on this path, this report argues that the United States should spend the next 25 years using its immense clout and influence to support increasing federalization at the EU level. Insisting that defense remain the purview of the nation-state will only sideline Europe's most ambitious global actor—the European Commission—and ensure Europe's continued

military weakness, making it a less potent global actor and less capable global ally. Indeed, since 2014 the European Commission, often over U.S. objections, has pushed to revive the EU's defense ambitions, resulting in a flurry of new initiatives, many of which are just now coming into effect.

Encouraging the EU to take a more prominent and unified role in defense would encourage the EU to think and act boldly. Washington could then use its immense influence to back ambitious EU proposals, pushing reluctant EU members, particularly those in Eastern Europe, to back a bold approach. It is ultimately not up to the United States to determine what role the EU should play and how it should be structured; that is up to Europe. But European integration began because of the United States. It was American backing of European—often French—proposals that launched the European project. As the Center for American Progress argued in a 2019 report, in an era of renewed geopolitical competition, the United States needs a united and strong Europe like no time since the Cold War.<sup>6</sup> The United States should seek to build a new “special relationship with the European Union” and use U.S. power and influence within Europe to support European integration.

Defying Washington's expectations and persistent ambivalence, the EU has already become a major global power in other ways. Its economy, for example, is about the same size as that of the United States and China, making it a global trading and regulatory superpower. But the EU's lack of hard power and the overall weakening of Europe's military strength has reduced Europe's global influence. Additionally, the lack of progress on EU defense has gone hand in hand with a lack of progress in developing a stronger and more cohesive European foreign policy. Today, Europe remains dependent on the U.S. military to ensure European security. For the EU to become a stronger global actor—and therefore a more capable partner for the United States—it will need to develop its hard-power military capacity.

Skeptics of EU defense need to answer this key question: What is the harm caused by the United States backing EU defense? Skeptics make contradictory claims, simultaneously arguing that the EU is incapable and claiming that the EU would somehow duplicate NATO and make it obsolete. Those both in the United States and Europe who scoff at the ability and, crucially, the will of the EU to take on such a task may indeed have a point. But given that Washington's approach over the past two decades toward European defense is not exactly delivering robust results, what is the harm in testing this proposition? Perhaps a U.S. defense company will lose out on a small contract or NATO officials will suffer mild bureaucratic annoyance dealing with a complicated EU, but such minor downsides would surely be offset by the diplomatic benefits of the United States being able to position itself as a fervent backer of EU integration. It would no doubt win admiration within the EU and put the United States where it should be, which is on the opposite sides of China and Russia.

Removing the American brakes currently placed on EU defense may not lead to dramatic advances. No EU army will suddenly emerge, and the United States will not determine what EU defense looks like. The EU will have to decide. As a result, despite U.S. encouragement, bold EU proposals may not materialize or may be blocked or ground down in the EU's complex policymaking process. Progress, like in all EU integration efforts, will be the product of compromise; it will be iterative and take time. But the EU should not be underestimated. Those who predict the EU's imminent collapse each time it is beset with a crisis or bet against the EU each time it takes on a new initiative have consistently been proven wrong. The EU has shown again and again its strength and resilience, emerging from crises a stronger actor and more fortified union. It is therefore reasonable to believe that sustained U.S. support and engagement for EU defense could lead to real progress. This could be a rare situation where a simple shift in U.S. diplomatic policy could have a profound geopolitical impact.

## The history of U.S. policy toward European defense integration

There were two critical periods that shaped the post-World War II structure of European defense—first in the late 1940s and early 1950s, as the Cold War began, and second during the 1990s, after the end of the Cold War and during the formation of the European Union.

### Post-World War II

After World War II, the United States was a fierce advocate for European integration, including in defense. In 1953, U.S. Secretary of State John Foster Dulles shocked a NATO council summit when he threatened an “agonizing reappraisal” of U.S. involvement in NATO if the organization’s European members failed to support the formation of a European Defense Community (EDC).<sup>7</sup> The United States was struggling with the dilemma of how to rearm West Germany in light of both the threat from the Soviet Red Army and the fear of renewed German militarism. The United States had seized on a proposal from French Prime Minister René Pleven to create an EDC. The so-called Pleven Plan would embed a rearmed Germany within a larger European defense structure, essentially forming a European army. But to establish a European army required also establishing an overarching European democratic political structure to oversee and direct that army. The plan to create an EDC thus spiraled into effectively establishing a European Union.

As historian James McAllister explains, “the EDC became the cornerstone of American efforts to transform Western Europe from a collection of independent states to a more collective and unified region.”<sup>8</sup> To the United States, NATO and a unified European force were not in conflict. After all, the defining purpose of NATO—as outlined by the first NATO secretary-general to “keep the Americans in, the Russians out, and the Germans down”—would not be affected by the formation of an EDC.<sup>9</sup> Historian Kiran Klaus Patel explained that to the Americans, “European integration appeared not as a challenge to the Atlantic partnership but as an integral part of it.”<sup>10</sup> But as the EDC concept grew in scope, the French and other Western European states became reticent. Although Secretary Dulles was able to get European states to agree to the new treaty, the effort was ultimately voted down by the French Parliament. While the European Coal and Steel Community helped integrate French and German war-making industries, the failure of the EDC pushed European integration in a primarily economic direction, much to the chagrin of the Eisenhower administration.

### Post-Cold War

After the end of the Cold War, the European Community transformed into a political union with the creation of the European Union. This new union not only dealt with economics, however; it also explicitly created a third pillar focused on foreign policy and defense.

Throughout the 1990s, the United States was generally supportive of but also largely ambivalent toward the overall concept of EU defense. As Daniel Hamilton, the State Department’s former deputy assistant secretary for Europe in the Clinton administration, surmised in 2002, “American ambivalence is reflected in the official attitudes of both the Clinton and Bush (41) Administrations toward ESDP (European Security and Defense Policy).”<sup>11</sup> However, EU defense efforts began to pick up steam in the late 1990s.

Esther Brimmer, a former State Department official in the Clinton and Obama administrations, writing in the early 2000s, explained that “the speed with which ESDP has progressed ... is all the more surprising. ESDP is part of a grand ambition to



restructure Europe after the end of the Cold War.”<sup>12</sup> EU defense efforts in the 1990s were thus part of a larger strategic effort to advance the European project. The EU is now often seen as slow and prodding, but in the 1990s, the EU was rapidly transforming Europe, building toward a single currency and expanding eastward. EU defense was seen as a key pillar of the EU’s integration efforts. But while EU defense was part of a larger strategic project, Washington struggled with the details of how it would work in practice and the implications it would have for NATO.

It was in this context that another secretary of state went to the NATO council to talk about European defense integration. But in December 1998, Secretary of State Madeleine Albright struck a different tone than her predecessor 45 years earlier.<sup>13</sup> In just a few short sentences, she laid out Washington’s concerns. She explained that the effort to create a European Security and Defense Identity (ESDI) must avoid “de-linking ESDI from NATO, avoid duplicating existing efforts, and avoid discriminating against non-EU members.” Secretary Albright’s address became known as the “three Ds”—no duplicating, discriminating, or delinking.

Secretary Albright’s speech was prompted by what seemed, at the time, like a stunning European breakthrough on defense. Just four days prior, a remarkable agreement was signed by U.K. Prime Minister Tony Blair and French President Jacques Chirac in St. Malo, France. There, the two largest European military powers agreed to support the formation of a 60,000 strong European force. The agreement held that “[t]he European Union needs to be in a position to play its full role on the international stage ... the Union must have the capacity for autonomous action, backed up by credible military forces.”<sup>14</sup> Most significantly, the United Kingdom—the EU’s most skeptical member and America’s closest ally—confirmed its support for the EU to build a military capacity.

Secretary Albright’s speech did not intend to close off the prospects for EU defense. Indeed, the speech contained rhetoric supporting EU defense. As Hamilton wrote in 2002, “no duplication’ was never defined nor intended to mean that the EU should not develop certain capabilities.”<sup>15</sup> In practice, however, Secretary Albright’s “three Ds,” if rigidly interpreted, left little room for the EU to expand into defense. The speech became a de facto doctrine that has been rigidly adhered to ever since, even if that was not the original intent. The subsequent two decades have shown that any EU effort could be accused of being duplicative or discriminating against non-EU states.

The Clinton administration’s position hardened further as it left office, due in no small part to a poor showing by European militaries in the 1999 Kosovo conflict. U.S. Secretary of Defense William Cohen warned in his final NATO summit in 2000—in what *The Washington Post* described as an “unusually passionate speech” at a NATO Defense Ministerial—that “there will be no EU caucus in NATO” and that NATO could become “a relic of the past” should the EU move forward with its proposal to set up a rapid reaction force.<sup>16</sup>

The context for the Clinton administration’s stance is critical, as its concerns were a direct byproduct of the unique geopolitical environment of the 1990s. The United States had been an ardent backer of European integration and supported the formation of the EU. But the United States became concerned that a separate defense capacity from NATO would render NATO obsolete. At the time, NATO’s future and overall purpose was very much in doubt with the vanishing of its *raison d’être*: the Soviet Union. Many leaders called for NATO to be abolished. The United States was concerned that the EU might supplant NATO and cause Europe to turn away from the United States, leading to a loss of U.S. influence in Europe. Additionally, with the eastward expansion of the EU still uncertain and war erupting in the Balkans, the Clinton administration saw rapid NATO expansion as crucial to integrating former Warsaw Pact nations into the West and stabilizing Eastern Europe.<sup>17</sup>

Whatever the merit to these concerns in the 1990s, what's clear today is that the Clinton administration's reluctance to back EU defense efforts was the byproduct of a particular geopolitical moment in which the United States was unrivaled and unchallenged. With no clear adversaries, relatively minor concerns, and fretting over low-probability outcomes—such as a more powerful Europe becoming a potential headache or even a challenger to U.S. global leadership—were elevated in Washington's national security discussion.

Another crucial factor also affected Washington's outlook, which now appears even more outdated: the concern of duplication. By the end of 1998, the United States had been engaged in a continuous stream of military interventions. In the seven years since the end of the Cold War, the United States had intervened in Iraq, Somalia, Bosnia, Haiti, and Kosovo, and it had failed to intervene in Rwanda, to the Clinton administration's self-described shame.<sup>18</sup> Many foreign policy experts were considering new doctrines such as the "Responsibility to Protect," which would call on major powers to intervene militarily to stop genocide and atrocities. As the "indispensable nation," in the words of Secretary Albright, America would be called on to act.<sup>19</sup> The foreign policy debate of the 1990s was thus about whether America should act as "the world's policeman," as some right-wing critics would describe the impetus for intervention. The outlook of the time was that the United States was in an age of intervention. The United States' concern was that if the Europeans spent effort building their own integrated force, not only would they potentially neglect NATO, but this might also complicate the United States' and NATO's ability to call on the forces of individual European NATO members for the interventions ahead.<sup>20</sup>

Indeed, when the Bush administration took office in 2001, it pushed NATO to create an alternative to the EU's rapid reaction force proposal, the NATO Response Force. And with the U.S. invasion of Afghanistan, NATO forces were called upon, leading to large-scale NATO deployments outside of Europe for the first time. Meanwhile the eastward expansion of the EU further complicated efforts to push ahead on EU defense, as eastern EU members remained acutely aware of their dependence and reliance on American military power to ensure their independence.

## Post-9/11

The 9/11 terrorist attacks effectively froze American views on European defense. While the future of Europe consumed Washington policy discussions in the 1990s, after 9/11, Europe was seen as largely solved and increasingly irrelevant. Washington turned away from Europe and was consumed with the wars in Iraq and Afghanistan and the threat of terrorism. While Washington called on Europe to share the burden of global security, there was no reassessment of America's approach to European defense in the post-9/11 era. Instead, the approaches to EU defense that were outlined at the end of the Clinton administration became a de facto policy doctrine frozen in place.

Skepticism of the EU only increased during the Bush administration. Right-wing skepticism of the EU and of multilateralism in general had grown throughout the 1990s and found a presence in the Bush administration through figures such as then-U.S. Ambassador to the United Nations John Bolton, who later served as national security adviser to President Donald Trump. U.S.-European tensions came to a head over the Iraq war. Franco-German opposition to the war caused an outcry in Washington, exemplified by the juvenile renaming of French fries to freedom fries in congressional cafeterias. U.S. Secretary of Defense Donald Rumsfeld's dividing of Europe into two camps—"old" Western Europe and "new" Eastern Europe—captured much of the attitude in official Washington at the time.<sup>21</sup>

Meanwhile, the European project was portrayed as a pacifist endeavor in Washington. The EU's emphasis on multilateralism and France, Germany, and much of the EU's opposition to the war in Iraq was evidence that the EU had moved beyond hard power.



As neoconservative author Robert Kagan assessed, “Americans are from Mars and Europeans are from Venus. They agree on little and understand one another less and less. And this state of affairs is not transitory ... the reasons for the transatlantic divide are deep, long in development, and likely to endure.”<sup>22</sup> European leaders and thinkers also played into the stereotype by decrying American militarism and playing up the EU’s cooperative multilateralism and successful economic and political integration as creating a new postmodern model for international relations. The notion that the EU was inherently averse to hard power and geopolitics became a generally accepted premise inside the U.S. government. Secretary of Defense Robert Gates voiced this concern in a speech at the National Defense University in 2010:

**The demilitarization of Europe, where large swaths of the general public and political class are averse to military force and the risks that go with it, has gone from a blessing in the 20th century to an impediment to achieving real security and lasting peace in the 21st.**<sup>23</sup>

The Kagan-Gates perspective on European pacifism became pervasive. While opposition to military force is certainly more prevalent in Europe, particularly in Germany, the notion of Europe becoming pacifist ignored the NATO EU members that deployed to Afghanistan, as well as the numerous other EU operations proving that the EU can be a hard-power actor. The EU has conducted military operations in the Balkans and Africa and participated in counterpiracy naval operations. Currently, there are six ongoing military operations and 11 ongoing civilian missions outside the EU.<sup>24</sup> Furthermore, France may now be the most interventionist Western power—even more so than the United States.<sup>25</sup> France was ready to intervene in Syria when President Barack Obama decided not to; encouraged and participated in operations in Libya; and intervened in the Sahel, where it remains engaged in active combat, even seeking to organize a European Intervention Initiative to coordinate foreign interventions by EU members.

The Kagan-Gates view also forgets that the Clinton and Bush administrations worked to scuttle EU defense efforts. This has created a bizarre and circular situation in which the U.S. foreign policy establishment, with its hard-power focus, has adopted a largely ambivalent and dismissive attitude toward the EU in large part because the EU is not a strong security actor. Public opinion data also show that, according to analysis by political scientists Schilde, Anderson, and Garner, “Europeans are not so exceptional when it comes to defence preferences. Also, the idea that Europeans inherently prefer butter to guns—allowing the US to subsidise their security with no concerns—appears shaky at best.”<sup>26</sup>

Moreover, stereotypes of EU pacifism are incongruent with the EU’s overly aggressive approach to countering migration. In the half-decade since the migration crisis, the EU has turned Frontex—a small, bureaucratic EU agency that coordinated EU border policy—into a 10,000-strong armed force. In early 2020, when Turkey initiated a migration crisis, Frontex was accused of ramming migrant vessels, potentially committing human rights abuses.<sup>27</sup> Rather than condemning Frontex or the Greek coast guard for this horrific act, the heads of the EU flew to Greece to demonstrate EU solidarity with this hard-line approach. EU leaders, perceiving migration as a threat to the union, were seemingly willing to take inhumane, hard-line steps to protect its union. Contrary to EU skeptics’ characterizations of it as a postmodern state that has repudiated the use of force and is strictly committed to vague notions of international law over defending its borders, the EU actually went too far and potentially violated international humanitarian law. This is not the approach of a confident global power upholding global norms, but it is hardly the response of political actors from Venus.

The Obama administration increased its emphasis on burden-sharing and pushed European states to spend more on defense. Concerns over European defense spending became especially acute in the fallout from the 2008 financial crisis, as European defense budgets were slashed in response to austerity demands. But Russia's 2014 invasion of Ukraine brought renewed attention to Europe's security vulnerabilities. At the 2014 NATO summit in Wales, NATO members agreed to increase defense spending and set a goal of spending 2 percent of GDP on defense by 2020. Under the leadership of European Commission President Jean-Claude Juncker, the EU also sought to expand its defense ambitions. In a shift, the Obama administration did not oppose these fairly limited efforts and gave its tacit support. Then-U.S. Secretary of State John Kerry even signed an Acquisition and Cross-Servicing Agreement with the EU, allowing the U.S. military to support forces operating under the EU's flag.<sup>28</sup>

However, the Trump administration reversed the Obama administration's subtle shift and reverted back to full-throated opposition to EU defense. The Trump administration's opposition also became increasingly parochial, voicing the narrow concerns and interests of the U.S. defense industry.<sup>29</sup> Then-U.S. Secretary of Defense James Mattis blindsided his European counterparts at an early NATO summit by opposing the EU's Permanent Structured Cooperation (PESCO) initiative, which sought to pool funding to support joint EU defense projects.<sup>30</sup> Europe was shocked because its EU defense initiatives were extremely limited and designed to be additive—providing additional resources that would be complimentary to NATO. But the U.S. defense industry, worried about potentially being shut out of the European defense market, lobbied the Trump administration to oppose the EU efforts.<sup>31</sup> The United States even lobbied and pushed the EU to make U.S. defense companies eligible for the EU's PESCO projects.<sup>32</sup>

In a letter that caught Brussels completely off guard, the State Department's Under Secretary of State Andrea Thompson and Under Secretary of Defense Ellen Lord warned the EU of retribution if it did not include the United States or third parties to participate in PESCO projects.<sup>33</sup> Returning to the concerns that Secretary Albright had voiced 20 years prior, they argued that there was a risk of "EU capabilities developing in a manner that produces duplication, non-interoperable military systems, diversion of scarce defense resources, and unnecessary competition between NATO and the EU."<sup>34</sup> Yet the inclusion that the Trump administration demanded is not reciprocal, as the United States would not allow European defense companies similar access to the U.S. defense procurements.<sup>35</sup> The U.S. Congress wants American taxpayer dollars to go to American companies, and yet the United States expects the EU to operate differently.

The Trump administration maintained U.S. opposition to EU defense, less to preserve NATO equities and more for petty, parochial purposes: the interests of U.S. defense companies. As Nick Witney of the European Council on Foreign Relations (ECFR) points out, the United States "aggressively lobbied against Europeans' efforts to develop their defence industrial and technological base."<sup>36</sup> This exposes the contradictory nature of U.S. policy: The United States expects Europe to get its act together on defense but to not spend its taxpayer euros on European companies. Indeed, it is hard to see Europeans spending robustly on defense if that spending does not support European jobs and innovation.

## Assessing U.S. policy

In retrospect, the U.S. approach in the 1990s succeeded in its objectives. The primary goal was not to foster the EU as a strong and independent global actor but to preserve the primacy of NATO, expand NATO eastward to integrate and stabilize former Warsaw Pact nations, and ensure the United States remained an indispensable security presence on the continent. The security guarantees of NATO expansion enabled the EU to also expand eastward, giving it a continental scale. Today, Europe remains militarily dependent on the United States despite its wealth and overall military spending—an

outcome that 1990s policymakers might have viewed as a net positive. However, U.S. policy objectives toward Europe should have shifted in the intervening 20 years. Since 9/11, U.S. policy has demanded for Europe to contribute more militarily and to share more of the burden of maintaining global security. Today, the United States needs Europe to be a stronger geopolitical partner that is less reliant on the U.S. military. Unfortunately, while U.S. strategic goals have shifted, U.S. policy has not.

Hindsight is always 20/20, but America's Europe policy in the 1990s failed to imagine both what the EU could become and the potential importance that a strong and powerful EU could hold for the United States. This was understandable. The EU was a unique political project that challenged common perceptions of the nation-state, and the 1990s were a decade of uncertainty. This hesitancy meant that the United States missed a huge opportunity. Strong U.S. backing of EU defense—at a time when the EU was taking massive leaps forward—would have likely resulted in significant advances in EU defense, making it a much stronger global actor and U.S. ally today.

While a failure of imagination is understandable, the failure by succeeding administrations to evolve is not. The fact that U.S. policy toward European defense has remained relatively unchanged since the 1990s and continues to all but ignore the EU represents a total strategic failure. The State Department, Pentagon, Congress, and Washington think tank community have all been stuck in an outmoded view of Europe. U.S. policy instead continues to treat Europe as what it once was: a collection of states loosely connected in multilateral alliances from the EU to NATO. But Europe has formed a political and economic union—one that affects every facet of Europeans' lives. Instead of analyzing and challenging the premise of U.S. policy, the U.S. government, in particular the State Department's Bureau of European and Eurasian Affairs, dogmatically implemented the same policy. Today, the State Department maintains its opposition to EU defense and pushes against efforts to alter U.S. policy.<sup>37</sup> This should change. The current trans-Atlantic approach to European defense has not worked and, due to a variety of structural factors, is not going to work.

## **The current structural problems plaguing European defense**

The problem with the current state of European defense is not fundamentally about spending. Collectively, European defense spending levels should actually be enough to put forth a fighting force roughly on par with other global powers. While it is difficult to compare in absolute numbers given the differences in purchasing power, when taken together, the EU spends more on defense than either Russia or China, at nearly \$200 billion per year.<sup>38</sup> The problem with European defense is structural—and these structural issues must be taken into account when shaping U.S. policy toward European defense.

There are five critical structural problems that are impeding the development of European defense capabilities and which ultimately undermine NATO. Strengthening NATO and the trans-Atlantic alliance requires concerted action to address the structural problems outlined below.

### **Duplication, fragmentation, and waste**

Because defense remains the responsibility of European nation-states, as structured through NATO, the inescapable byproduct is intense duplication, fragmentation, and waste within the EU. There is therefore no European pillar within NATO, as European forces all operate distinct forces. NATO does its best to turn its 30 disparate forces into an integrated fighting force. And during the past decade, NATO has pushed its members to work together on procurement and to set funding priorities. Despite NATO's efforts, however, as ECFR's Witney argues, "the need for closer European defence integration

(the pooling of national efforts and resources) has been received wisdom for literally decades, but with disappointingly little to show for it.”<sup>39</sup>

The EU spends nearly \$200 billion on defense, but it cannot deploy forces, it runs out of munitions when it fights, and its forces have shockingly low levels of readiness. Europe as a whole lacks critical enabling systems that are necessary to support military operations. Despite France having one of the most capable and battle-ready militaries, it too is dependent on the United States to provide support through air-refueling flights and intelligence, surveillance, and reconnaissance flights. Supporting the French operation in the Sahel actually required the U.S. government to provide emergency assistance through a special provision known as drawdown authority, which is designed to address crises but is rarely used to support the operations of wealthy countries.<sup>40</sup>

When European NATO forces were operating in Afghanistan, they remained dependent on U.S. capabilities such as air lift and transport to engage in operations. European militaries, even capable ones, often lack the critical enabling capabilities needed to engage in independent operations. Moreover, European forces often lack stockpiles of equipment or reserve forces needed to sustain prolonged operations. These enabling systems are expensive and likely beyond the acquisition capacity of individual European countries even with marginal increases in defense spending.

As Sven Biscop, director of the Europe in the World Program at the Egmont Institute in Brussels, assessed:

**Fragmentation and protectionism have resulted in a patchwork of national forces of mostly low readiness. Taken all together, these national forces do not constitute a comprehensive full-spectrum force package. There are critical shortfalls in terms of strategic enablers, reserve forces, and stocks of munitions and equipment. Consequently, Europe is dependent on the US for any significant deployment.**<sup>41</sup>

Europe, in general, faces a readiness crisis. A 2017 report from the Munich Security Conference (MSC) found that “a post-Cold-War focus on expeditionary operations and the constraints of austerity came at the expense of equipment availability across many weapon systems. For example, in some states, up to half of helicopters or infantry fighting vehicles are not deployable.”<sup>42</sup> More broadly, as the report noted, “Europe’s armed forces are faced with reduced and outdated equipment (including materiel stock shortages) as well as a general availability crisis. These challenges are exacerbated by undertrained military personnel.”<sup>43</sup> For instance, in the operations in Libya, NATO members that were supposed to lead air operations quickly found themselves running out of the precision-guided munitions needed to conduct air operations. Other European forces lack operable equipment to train on, as European militaries have shirked funding for basic maintenance.

European defense is also plagued by fragmentation and redundancies, which undermines the ability of European forces to seamlessly operate together. EU member state militaries together have more than 30 different types of tanks, nearly 20 types of combat aircraft, and more than 10 types of tanker aircraft.<sup>44</sup> The expense of high-end acquisitions are impossible for most individual states to acquire, and when new high-end acquisitions are made, they often come at the expense of overall readiness, including spare parts and maintenance. The MSC report documented the decline in Europe’s defense capabilities: “Since 1995, equipment inventories have been reduced across almost every major category of military equipment.”<sup>45</sup> The report highlights that Europe had 141 submarines in 1995 but now has just 78. The 11,000 armored infantry fighting vehicles that Europe had in 1995 have been reduced to around 7,500. The report also explains that it is difficult for European forces to operate together due to the vast

number of different brands of equipment. It notes that the United States uses 30 types of major weapon systems, while European Defence Agency members use 178. The various types of equipment make it difficult to do joint training and create all sorts of logistical challenges when operating together, especially when units need to have access to many different spare parts and components. The interoperability of European forces is thus much weaker than it should be.

Europe is also paying higher costs because they lose potential economies of scale. A report from McKinsey & Company found that Europe could cut costs on equipment procurement by 30 percent, or \$15 billion per year, if they were to make joint procurements, gaining efficiencies and economies of scale.<sup>46</sup> Meanwhile, European states maintain distinct national defense companies, with little of the integration and consolidation that is seen in other EU economic sectors. This has left the European defense sector inefficient and technologically dull, with little investment in research and development.

Disinvestment in defense has been a force for bottom-up defense integration. Some European states have begun to integrate their forces with each other out of necessity. As defense analyst Elisabeth Braw pointed out, Germany has begun integrating its forces with its neighbors, forming a “Bundeswehr-led network of European miniarmies.”<sup>47</sup> For instance, the Netherlands reduced the number of tanks in operation and put 2 of its 3 Dutch army brigades under German command. This has spread to some integration of the German and Dutch navies as well. The Czech Republic and Romania have also integrated a brigade each into the German armed forces. Such multinational collaboration is incredibly sensible. But the need for such ad hoc arrangements demonstrates the current unsustainability of small European nation-states trying to operate and maintain full-spectrum militaries.

What should worry the United States and NATO is that Europe’s military strength remains inadequate despite the fact that European states on a whole have significantly increased defense spending. At NATO’s 2014 Wales Summit, the Obama administration appeared to notch a significant achievement, gaining commitments from all NATO members to spend 2 percent of GDP on defense by 2024.<sup>48</sup> The 2 percent pledge did stabilize European defense after many countries cut defense spending following the 2008 financial crash, stopping the evisceration of defense budgets across the alliance. In the six years since the 2 percent pledge, NATO members that feel threatened by Russia or face security challenges have further increased defense spending. Today, 10 NATO members spend 2 percent on defense compared with just three members in 2014, and all NATO members have increased spending since 2014.<sup>49</sup> This significant increase in spending has strengthened NATO overall by improving force readiness and enabling NATO to meet more of its capability goals. In Eastern Europe, Poland, for example, has undertaken an extensive force modernization, acquiring Patriot air defense systems and new helicopter fleets.

But this has only made a difference at the margins. As Derek Chollet, Steven Keil, and Christopher Skoluba wrote for the Atlantic Council, “the metric remains an arbitrary and inefficient tool for defense planning. It does little to indicate the effectiveness of the output it enables, even if the NATO Defense Planning Process is in place to do exactly that.”<sup>50</sup> The arbitrary nature of the 2 percent metric was fully evident in the case of Greece, which largely hit 2 percent because its economy contracted so severely following the 2008 recession. Just because a NATO member spends marginally more on defense as a portion of its GDP does not necessarily make NATO more combat-ready or improve its capabilities. NATO members may spend more on maintaining forces that are irrelevant to NATO efforts, spending without making the right investments in new capabilities or improving readiness in ways that help the NATO alliance overall.

Increased national spending is no doubt better than the alternative for NATO, but it is hardly a panacea. For instance, former Warsaw Pact NATO members are struggling with

the cost of overhauling their militaries by retiring Soviet-Russian equipment and procuring new fleets of NATO-made equipment. As a result, they remain dependent on the Russian defense industrial complex to keep their aging Soviet-era planes in the air and their vehicles rolling. There was no injection of funds to rebuild the militaries of former Warsaw Pact member states as there was for the militaries of Western Europe after WWII.

In short, marginal spending increases spread out among dozens of European countries without defense integration will continue to make European defense much weaker than the sum of its parts.

## **The European Union is becoming state-like**

A long-term challenge facing NATO's member-state structure is that the EU is increasingly "state-like" both in how it operates and how it is perceived by EU citizens.<sup>51</sup> This ultimately creates a significant structural and organizational challenge to NATO and how it coordinates European defense.

Washington has seen the EU as just another multilateral organization and worried that it could pose a challenge to another multilateral organization: NATO. But the EU is not a multilateral competitor to NATO; the EU is not trying to replace NATO's role as organizer of a trans-Atlantic military alliance. Instead, the EU is an increasingly "state-like" entity or, as Kathleen R. McNamara, a professor of government and foreign service at Georgetown University, has described it, a "polity in formation."<sup>52</sup> This therefore complicates the classic role of the nation-state in ensuring the protection of its citizens. Legally, European member states retain their control over national defense. But when European states united to form a single political union—granting common European citizenship to the citizens of EU member states and creating increasingly formidable institutions to manage, govern, and protect European interests—they have in turn shifted European public perceptions about who is ultimately responsible to protect their interests as EU citizens. All EU citizens are as such dual citizens—members of a nation-state and of the EU. While EU treaties may preserve defense as a role for the member states, it is reasonable for EU citizens to perceive defense as less about protecting their nation than about protecting Europe and therefore want the EU to play a greater role.

Fundamentally, the purpose of European integration was to solve the security dilemmas of constantly warring European states by weaving them together so that they would become mutually dependent. Europe becoming a zone of peace has fundamentally altered support for defense efforts at the national level. The success of European integration has dramatically reduced the external threats to most individual EU states because the threats posed to European states primarily came from other European states. Belgium today does not fear German invasion. By integrating the European continent into a political and economic union, the EU and NATO together drastically lowered the threat perception that European states feel from their EU neighbors. This achievement has also made allocating significant portions to the defense budget more politically difficult. This was true even during the Cold War, when European security and protection from the threat of a Soviet invasion were guaranteed by America's nuclear umbrella and the NATO alliance. But following the end of the Cold War, the creation and expansion of the EU and the expansion of NATO have utterly altered the threat perception in most European national capitals.

The EU has also reduced the importance of geopolitics and foreign policy to many of Europe's national capitals. Prior to European integration, national capitals had to be particularly attuned to the push and pull of the balance of power politics in Europe. Today, most European states focus, as they always have, on Europe. When they focus on Europe, however, they are focusing domestically on Brussels and the development of policy and regulations at the EU level, not on broader geopolitical concerns. Of course,

the major exception to this trend is in the Baltics and in Eastern Europe, where the external threat posed by Russia has galvanized efforts to bolster national defense. EU members such as Poland and the Baltic states are intensely focused on geopolitical developments, building strong relations with the United States, investing in defense modernization, and meeting NATO spending targets.<sup>53</sup> This has created a divide within Europe over defense between publics that are acutely aware of the geopolitical threats and those more insulated or focused on other external threats such as security in the Mediterranean.

With defense remaining a national competency rather than a European one, it is of little surprise then that, for many Europeans, defense is simply less of a national priority. NATO in some way is a victim of its own success. NATO and EU expansion has, in particular for Western European states, further insulated these countries from external threats. For example, Portuguese or Dutch voters may rightly question investing in high-end combat capabilities when that seemingly has little to do with protecting Portugal or the Netherlands. It is simply unrealistic to expect Europeans in states that feel highly secure to support devoting significant budgetary resources to bolster national defense, particularly if hard budgetary trade-offs are needed as a result. European political leaders respond to their citizens' interests and devote attention to issues in which they can make a difference; for most European political leaders, these issues do not involve foreign policy outside of the EU or hot-button geopolitical topics. If, instead of operating one national military, the United States depended on each of its 50 states—their governors and state legislatures—to build and sustain their own militaries, there would be a huge difference in threat perception, and therefore spending and military capabilities, across the country. Advancing collective European security is premised on Europe's nation-states acting not as narrow, self-interested states but in effect as Europeans. NATO solidarity, while it clearly matters to all member states, only goes so far. The end result is that Europe is unable to handle its own security, meaning that European security is, in fact, premised on the United States.<sup>54</sup>

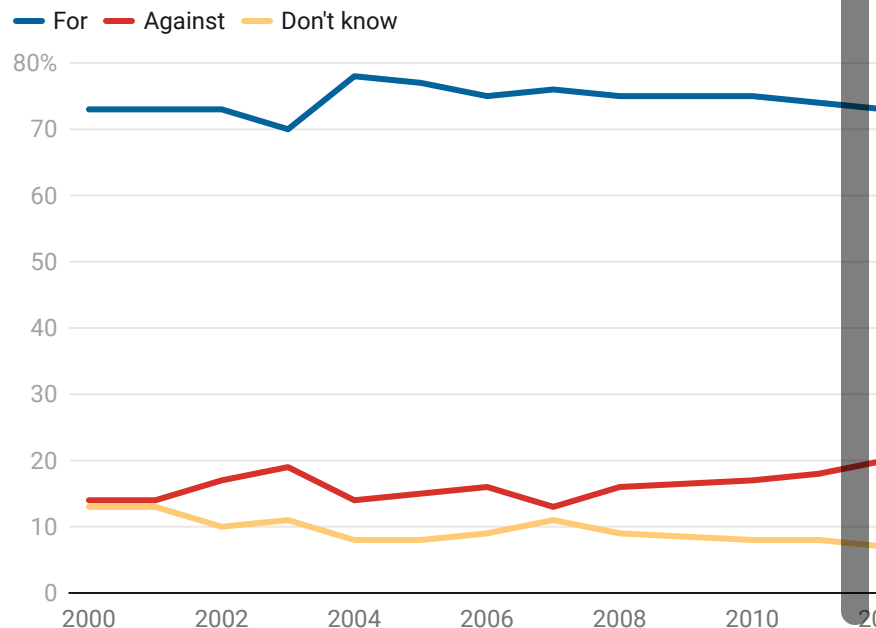
What makes the current structure of European defense so confounding is that it operates as if the EU does not exist and that integrating defense is impossible and politically toxic. But it is simply not the case that shifting or expanding responsibility for defense to the EU is unpopular or a so-called third rail for the EU. In fact, Europeans overwhelmingly want the EU to play a much greater role in defense. As the union has drawn together and bestowed common citizenship on its members, Europeans have quite rationally come to perceive defense and foreign policy as more of a collective European concern rather than strictly a national one. Support across Europe for greater collective EU defense is extremely high, consistently polling above 70 percent. Eurobarometer, which tracks public opinion in the EU for the European Commission, has polled support for EU defense since 1999. Its polls have shown consistent support for EU defense, averaging around 70 percent to 75 percent for the past two decades.

#### Figure 1



## Support for EU defense has been consistently higher than 70% since 2000

Support for a common defense and security policy among EU member states, 2000–2019



Hover over or click to see values.

As Schilde, Anderson, and Garner explain, “The European public supports EU defence policy, it has for decades, and citizens hold consistent and well-developed attitudes on the topic.”<sup>55</sup> Furthermore, they note that “[i]n fact, no other policy domain is as popular and robust as the idea of pooling national sovereignty over defence.”<sup>56</sup> The authors also argue that European support for EU defence is also not soft or the result of indifference or uninformed views, as is commonly portrayed. They argue that, in general, respondents understand what it means to have greater EU involvement and therefore have a clear sense of what they are preferring.

There is also an increasing sense that Europe must stand up for its own interests in an era of greater geopolitical competition and questions about American reliability. A ECFR survey, conducted after the 2020 U.S. presidential election, revealed that “[o]ne of the most striking findings ... is that at least 60 per cent of respondents in every surveyed country—and an average of 67 per cent across all these countries—believe that they cannot always rely on the US to defend them and, therefore, need to invest in European defence.”<sup>57</sup> Europe already acts as one through the EU on key foreign policy issues such as trade, climate, global technology regulation, and China’s economic practices. In other words, Europeans have already been able to identify European interests in critical areas; therefore, it is not a far leap for Europeans to support developing a stronger defense capacity to support their common European interests.

It is also apparent that few Europeans see the strength of their armed forces as integral to the identity of their respective nations. This is significant because during the 1990s, one of the major perceived hurdles to EU defense was the assumption that integrating defense would cause a national backlash. While the attachment to a nation’s armed forces varies across the continent—France, for example takes strong national pride in its military—the overwhelming support for an EU military role is a key indication that integrating militaries does not cross a red line and is unlikely to spur a significant

backlash. For many European countries, the classic link between military prowess and national identity was broken after WWII, so this perhaps should not be such a surprise.

It is notable that within European states, there is considerably less support for diverting national resources away from domestic priorities such as health and education and toward the high-end weapons systems that are required to marginally improve NATO's collective defense capacity. A 2016 Pew Research Center survey showed that just 14 percent of Spaniards and 34 percent of Germans supported increasing defense spending.<sup>58</sup>

Italy presents an interesting case study in how support for broader EU efforts could overcome domestic hesitance to spend more on defense. A 2019 study from the Istituto Affari Internazionali concluded that "European defence cooperation initiatives also enjoy broad support—60 per cent—with absolute majorities among both government and opposition sympathisers." Interestingly, 63 percent of Italy's right-wing, populist Lega Nord party support EU defense efforts. Additionally, there is overwhelming support for NATO across Italy, indicating that Italians see no contradiction in supporting NATO while at the same time backing a larger EU role. Yet only 35 percent are in favor of increasing domestic military expenditures, with a majority, 52 percent, against. As the authors conclude, "Italians, therefore, are supportive of defence cooperation within both NATO and the EU, back European defence initiatives, perceive a vast range of threats and are calling for greater security, but have little appetite for more defence spending."<sup>59</sup>

European public support for EU defense efforts are therefore real and durable. A generation of Europeans born after 1993 came into the world as EU citizens, and support for the EU is strongest amongst Europe's youth population.<sup>60</sup> What NATO and Washington need to realize is that this shift in opinion is also eminently sensible. It makes sense for EU citizens to want the EU—the body that is responsible for their European citizenship—to take on more responsibility for their security. The lack of national interest in defense spending within the EU is therefore not a short-term problem for NATO; it is structural. As Schilde, Anderson, and Garner conclude, "Our results also point to alternative explanations for the slow political development of EU defence policy: those seeking to locate blame for this should focus on national elites, not the European public."<sup>61</sup> European political leaders have not offered EU citizens the option of EU defense, in large measure due to persistent U.S. opposition.

## **The European Union's constrained role**

Since its founding in 1993, the EU has envisioned itself becoming a major player in foreign and defense policy. One of the new pillars of the Maastricht Treaty, which turned the European Community into the European Union, was the addition of "a common foreign and security policy" with the goal of this leading the EU to have "a common defence."<sup>62</sup> In its current form, the EU has a high representative for foreign and security policy, as well as a robust diplomatic and military support staff with the EU's External Action Service and the EU Military Staff. But while the EU has become more active over the past decade in foreign policy, its involvement in defense has remained both relatively limited and incoherent.

After Russia's invasion of Ukraine, however, the EU renewed efforts to increase its involvement in defense. In recent years, the EU has made an effort to build defense institutions, with the ultimate goal of improving overall capacity and achieving greater strategic autonomy. But the EU defense proposals have lacked the ambition of previous eras, namely before the EU expanded eastward. The ambition from the early 2000s of establishing a 60,000-strong EU rapid-reaction force, capable of independently deploying outside of Europe, waned. Concerns inside the EU, particularly among its new eastern members, about U.S. opposition led to a gradual lowering of ambitions.

The EU's biggest foray into defense came through the formation of PESCO and the European Defence Fund (EDF). PESCO was established in December 2017 to raise cooperation on defense at the member-state level.<sup>63</sup> In other words, PESCO is not controlled by the European Commission—the executive branch of the EU—but by the Council of the EU—the intergovernmental body consisting of the EU's member states. Twenty-five member states have joined thus far, signing commitments to invest in and develop joint defense capabilities. Ultimately, the goal of PESCO is to integrate EU-level defense capacities to the point where they can be used for both national and international operations.

PESCO now has dozens of ongoing projects covering cyber, air systems, training, space, and more. The EU Council oversees the direction of the projects and assesses whether member states are fulfilling their commitments; projects may receive funding from the EDF, which has a multiyear budget of more than 10 billion euros. This represents progress for the EU, but the PESCO projects are also quite limited. Nevertheless, American opposition to PESCO has been fierce. The United States uses its influence with EU members that are most dependent on U.S. security guarantees or the most euroskeptic to act as de facto Trojan horses. Nick Witney of the ECFR explained that, with PESCO, “the Poles, who oppose the whole idea of European defence, are not even troubling to conceal that their purpose in joining the convoy is to slow it down.”<sup>64</sup>

The EU has long sought to improve defense industrial coordination through the European Defence Agency, and the European Commission has increased its involvement in trying to harmonize Europe's fragmented defense industrial landscape. Yet as long as defense spending—and therefore defense procurement—is handled exclusively by national capitals, there is little incentive for Europe's defense companies to consolidate. The European Commission has sought to apply its ability to create an internal EU market and harmonize regulations to the defense industrial domain, with the goal of integrating and rationalizing European defense industries and creating a strong European defense industrial base. In doing so, however, the commission runs up against vested national interests as well as, during the Trump administration in particular, concerns from the United States that the U.S. defense industry will lose market share. The EDF, however, may begin to alter this dynamic, since EDF funds will likely incentivize defense industrial collaboration.

The EU also lacks a common command center to coordinate or plan EU operations. The United States and NATO have seen the formation of a command center as duplicative. But the EU operates missions distinct from NATO and has members that are not in NATO. For example, Finland, Sweden, Austria, Ireland, Cyprus, and Malta are EU members but not in NATO. The EU, moreover, has a mutual defense clause in its treaty, similar to NATO's Article 5, which holds that an attack on one is an attack on all. EU member states are obliged to assist an EU state if it is attacked. The lack of a common command structure has also contributed to a lack of strategic alignment within the EU.

The French have sought to address the lack of an EU strategic culture by proposing a new initiative to coordinate EU militaries engaged together in interventions abroad. In a September 2017 speech, French President Emmanuel Macron laid out his vision for the European Intervention Initiative (EI2), arguing for not just PESCO-level defense cooperation but also a higher level effort to create what he called a “shared strategic culture.”<sup>65</sup> The purpose of EI2, according to Macron, was to help create a “common intervention force, a common defense budget and a common doctrine for action.”<sup>66</sup> EI2 was formalized by a group of European defense ministers in June 2018 and is purposefully housed outside existing NATO or EU structures, which enables the United Kingdom and Denmark to be members while also being separated from less politically salient initiatives of the two organizations. Thus far, 13 EU members plus Norway are participating in EI2. It remains to be seen whether EI2 could actually respond to an eminent global challenge, and it will likely be largely dependent on domestic political will, given the ad-hoc nature of the initiative.

Intentionally, the EU has sought to get its members on the same page and develop a strategic culture. The EU has released a multitude of planning documents and strategy assessments, the latest being the Strategic Compass, which seeks to play a similar role to the U.S. National Security Strategy. The EU also conducts a Coordinated Annual Review on Defence (CARD), which is intended to give other EU members visibility on defense investment plans and identify areas for cooperation.<sup>67</sup> Too often, however, progress on EU defense boils down to a new report or study, which is also used to buy time. Instead of bold, tangible steps, European leaders often insist that they must wait for another strategic review or assessment before launching on a new path. Nevertheless, there is clear intent on the part of the EU to become a more coherent and strategic global actor. The EU described China as a “systemic rival,”<sup>68</sup> and Ursula von der Leyen described her European Commission presidency as a “geopolitical commission.”<sup>69</sup> It is clear that within EU institutions there is a desire for the EU to play a bigger global role.

The EU has also recently created a security assistance program called the European Peace Facility (EPF), which will enable the EU to buy and provide lethal weapon systems to partner countries. This new effort was approved at the end of 2020 and will allocate 5 billion euros (equal to 6 billion U.S. dollars) between 2021 and 2027, or about \$850 million per year.<sup>70</sup> That is a substantial sum and is roughly equivalent to the non-Middle East security assistance funding provided by the U.S. State Department. This, therefore, represents a large and important EU effort to bolster global security and strengthen the EU’s global role.

Nevertheless, while the EU is active in defense now, this has not resulted in more capabilities. Daniel Fiott of the European Union Institute for Security Studies concluded, “the reality today is that the ‘alphabet soup’ of EU security and defence—CSDP, PESCO, EDF, CARD, CDP, MPCC, NIPs, EPF, etc.—has not yet led to any tangible shift in the Union’s capability base or readiness for deployment.”<sup>71</sup> The haphazard, limited, and largely bureaucratic advances in EU defense have also given fodder to the skeptics of the EU’s ability to do defense. Because these limited proposals are often focused on making slight improvements in coordination, they often appear highly bureaucratic, and their true purpose can be difficult to grasp. As such, the EU proposals that do become reality often reinforce views that the EU is unable to be a major defense actor and adds to NATO concerns about the EU becoming a bureaucratic headache.

## **A new ‘German problem’**

Post-WWII U.S. foreign policy was fixated on the so-called “German problem”: how to rearm West Germany to help deter the Soviet Union but to do so without reviving the German military threat to Europe. The United States initially sought to solve this problem through the European Defense Community; when that failed, it pushed for Germany’s inclusion in NATO, and it maintained U.S. forces in the country. Today, NATO and the United States face the problem of gradual German disarmament. Germany’s military has significantly declined since the Cold War. This past decade was, in many respects, the ideal time for Germany to recapitalize its decrepit armed forces, but it did not do so. The reluctance of Europe’s most powerful country to maintain a robust military raises huge structural problems for NATO and European defense.

The German military is in a catastrophic state of readiness.<sup>72</sup> German press reported last year that just 8 of the army’s 53 Eurocopter Tiger attack helicopters and 12 of its 99 NH-90 Tactical Transport Helicopters were “war-ready.”<sup>73</sup> Meanwhile, the German air force has also been plagued by low readiness levels, with reports in 2018 putting just 10 of its 128 Eurofighter Typhoons ready for action.<sup>74</sup>

In 2014, Germany committed to spend 2 percent of GDP on defense, yet it has made slow progress toward hitting that benchmark.<sup>75</sup> While German defense spending has increased to a record 53 billion euros in 2021—a more than 3 percent increase over the year before<sup>76</sup>—German spending remains well under the 2 percent target. Unlike Italy and Spain, which also signed the pledge and whose defense spending hovers at just 1 percent, Germany has had tremendous fiscal space over the past decade to invest in defense. Both Italy and Spain suffered a grueling economic decade of exploding unemployment and enforced austerity to bring its budget deficits under control. Germany, by contrast, had budget surpluses and negative interest rates, leaving them with ample budgetary space to make investments.

The reality that Germany—a country that takes immense pride in its effective and efficient governance and which is the strongest economic power in Europe—has a military in such a neglected state is indicative of broader German disinterest in defense. Defense is simply not seen as a national priority. Only 31 percent of Germans believe that “a country needs strong military to be effective in international relations.”<sup>77</sup>

What makes this not just a passing phenomenon is that Germany has had an immensely popular and powerful conservative-led government for more than 15 years, with Chancellor Angela Merkel’s party supportive of increased spending. Although Germany’s main coalition partner throughout this period, the Social Democratic Party (SPD), was not supportive of increased spending, there is little doubt that if Chancellor Merkel had prioritized the issue and insisted that Germany meet its commitments to NATO, it would have come to pass. Instead, Chancellor Merkel and German diplomats and politicians paid lip service to the 2 percent spending commitment and the trans-Atlantic alliance all the while doing nothing. This occurred despite the immense international pressure on Germany to increase its defense spending.

Throughout the past decade, outsiders have pressed Germany to shed its past war guilt, its pacifism, and its reticence to step up and lead Europe.<sup>78</sup> Famously, former Polish Foreign Minister Radek Sikorski said, “I fear Germany’s power less than her inactivity.”<sup>79</sup> Germany is one country in Europe where the Kagan-Gates view holds significant explanatory value. Germany’s role in the world wars has made the German public averse to using military force and maintaining a strong military.<sup>80</sup>

While this is certainly understandable, German reticence on defense matters for a number of reasons. First, Germany sets the tone for Europe. German recapitalization of its armed forces would put pressure on other European countries to do the same. Conversely, if Germany is not investing in defense, it takes the heat off others that, in effect, can hide behind Germany, which will inevitably receive more scrutiny. Second, Germany is Europe’s largest and wealthiest country, meaning German defense investment would significantly strengthen the alliance. While a small country such as Estonia or Slovenia spending 2 percent of GDP is helpful, ultimately the benefit to NATO in actual capabilities is relatively small. The problem of European defense spending is thus disproportionately a German problem.

German political leaders will insist that Germany does its part in other ways and point to Germany’s substantial development spending. While all true and broader conceptions of national security are certainly merited, they do not obviate Europe and NATO’s need for Germany to have a capable military.

There is also little prospect of a shift in Germany’s approach toward national defense spending, short of a massive geopolitical crisis. Indeed, despite Russia’s invasion of Ukraine and the election of President Trump, who openly questioned NATO and Chancellor Merkel, there was still no rush to significantly strengthen German defense.<sup>81</sup> With elections this year, Germany’s biggest parties have not advocated for greater defense spending. Moreover, increasing deficits have raised the prospect of future spending cuts, as Germany remains extremely conservative when it comes to

deficit spending. There is little support in German public opinion for additional investments in national defense, which is reflected in the positions of Germany's political parties.

Thus, while Germany's political leaders will all acknowledge the problem of low spending and agree that more needs to be done, the chances that Germany will invest in its defense forces are extremely low. German patriotism is simply not rooted in the strength of its military.<sup>82</sup> This is in fact a tremendous achievement both for Germany and the United States, which significantly shaped postwar American reconstruction efforts. This does, however, represent a major structural problem for NATO that cannot simply be wished away.

The EU could be a potential solution to this dilemma, as there is broad public support for the concept of EU defense. The parties that are likely crucial to Germany's future governing coalition—the Greens and the center-left SPD—may find supporting EU defense much more palatable than investing more resources into the German army. Indeed, the Greens' platform in the upcoming election supports stronger EU defense, all the while dismissing NATO's 2 percent goal as arbitrary. Franziska Brantner, a senior Green Member of Parliament in Germany, explained, "We're not in favor of national goals when it comes to European defense ... It's an inherent contradiction to say we want a European security policy and then for everyone to do something on a national basis."<sup>83</sup> Interestingly, conservative CDU/CSU party supporters also have similar views. In a poll, 42 percent of supporters of Germany's governing conservative party preferred investing in EU defense capabilities, compared with just 28 percent for NATO investments.

However, Germany has been hesitant to fully back ambitious EU defense initiatives that France has proposed. Tobias Bunde of the MSC recently assessed that Germany offers a "rhetorical pro-integrationist stance that is rarely backed up by consistent efforts to turn it into practice."<sup>84</sup> Germany has been sensitive to American concerns about EU defense and is reticent to be seen as going against NATO, even though it doesn't see EU defense as incompatible with NATO. As Chancellor Merkel has noted, "Nothing speaks against us being collectively represented in NATO with a European army. I don't see any contradiction at all."<sup>85</sup> Yet as long as the United States does, Germany is unlikely to push forward EU defense.

The problem of German rearmament drove the United States to back European defense integration in the early 1950s. Today, the problem of German disarmament should similarly drive U.S. support for EU defense integration. There is simply not the political will in Germany to significantly invest in national defense, meaning the current status quo is likely to persist indefinitely. But there could be German support to invest in the concept of EU defense.

## **The return of right-wing nationalism to Europe threatens European cohesion**

Today, the alliance faces a growing and pernicious political threat: the rise of illiberal nationalism within its ranks. This internal threat is one that an alliance built on cooperation of individual nation-states and premised on states working together is ill-suited to address. For instance, NATO has encouraged member states to devote more resources to national defense. However, this begs the question of whether the alliance should encourage an autocratic Hungary to massively increase its defense spending when it could use its military capabilities to threaten its neighbors. With Turkey stoking tension with Greece in the eastern Mediterranean, leading to fears of conflict between two NATO members, the internal threat of nationalism to NATO's cohesion is clear.<sup>86</sup> It is time for NATO to get serious about the threat posed by rising nationalism and democratic backsliding among its member states.

The threat is also quite blatant. On June 6, 2020, Hungarian Prime Minister Viktor Orbán visited a small town on the Hungarian-Slovak border to commemorate the 100th anniversary of the signing of the Treaty of Trianon. The agreement, signed in the wake of World War I, dramatically shrunk Hungary's territory from its Austro-Hungarian empire borders, resulting in Hungary ceding two-thirds of its territory and leaving sizable populations of ethnic Hungarians outside of the new boundaries. In his speech, which was imbued with nationalist resentment, Orbán described every Hungarian child inside and outside of the country's borders as a "guard post" to protect national identity.<sup>87</sup> Additionally, he boasted about the speed at which Hungary has increased defense spending and built "a new Hungarian army," proclaiming, "We haven't been this strong in a hundred years." Orbán's deliberately provocative and threatening speech was not a nationalist dog whistle intended only for the Hungarian public. In fact, it was helpfully translated to English. The speech directly suggested that a significant amount of territory belonging to Hungary's neighbors to the east—Romania, Slovakia, and Ukraine—should be considered Hungarian.

One way to deal with the internal threat of renewed nationalism is military integration. This is, after all, the model through which the EU was initially founded when France and Germany's coal and steel industries were merged. NATO has taken steps to increase force integration. And while these efforts should continue, pushing for a greater federal EU role in defense and foreign policy would help mitigate and blunt the potential danger of having a rogue nationalist member state.

## **A new U.S. approach is needed toward European defense**

The United States needs a new approach to European defense. The United States should adopt a dual diplomatic strategy of vigorously encouraging EU defense efforts by 1) pushing the EU and its members to adopt bold approaches; and 2) pushing for closer NATO-EU cooperation.

The objective of the U.S. strategy should be to create a strong European pillar within NATO, organized and led by the EU and embedded in the overarching Atlantic framework.

Integrating European defense will likely be a gradual, decadeslong process. Past debates about forming a European army often glossed over the complications and challenges of this process. Yet those skeptical of EU defense often overstate the challenges and difficulties and underestimate the EU. The EU is more than capable of creating an army, even if such an endeavor would take time and be immensely complicated.

If the United States had fervently backed and encouraged EU defense efforts decades ago, pushing for the development of joint EU defense capabilities, European defense and the EU would likely look quite different today. Given the nature of EU integration—often done by closed-door compromise and bureaucratic rule-making—such progress would have been doubtlessly slower than the United States would have liked. At times, the effort at creating EU institutions would have created redundancies and reduced efficiency, yet slowly but surely an EU force would have emerged.

## **EU defense is ultimately about making Europe a stronger U.S. partner**

The major strategic reason for the United States to back EU defense efforts is that the United States needs the EU to become a stronger global actor. The creation of an EU force will require reforms to EU foreign policymaking and likely the EU's political structure. After all, if the EU creates an EU-controlled military force, it will have to determine how that force is directed. It will have to figure out a chain of command and



a clear decision-making structure. This will put immense pressure on the EU to reform how it makes foreign policy decisions and its political structure.<sup>88</sup> Ultimately, an EU defense capability will also likely increase the need for political accountability for the EU's leaders. Civilian control over the military is a critical hallmark of a democracy. Yet overseeing and directing an armed force is not a technical endeavor; it is political. Thus, EU defense will shine a spotlight on the EU's democratic deficit and its technocratic outlook. Indeed, a major reason for the failure of the European Defense Community was the realization that a common army required not just creating an army but also an entire political superstructure to oversee and direct that army. Conversely, part of the reason that the EU has such a democratic deficit today is that overseeing the EU has been seen as a rather low-stakes, technocratic endeavor. Control over the use of force and protection of EU citizens raises the stakes. Indeed, advocates of the European project likely underestimate the importance of defense in furthering the development of Europe's union.

One illustrative case is the brief German proposal for the EU to develop its own aircraft carrier. Given the prohibitive cost for a single member, such an expensive and complex capability would be a logical place for member states to pool funds for a project that may not have made sense for any individual country but could serve the interests of the union as a whole. Such a proposal was roundly dismissed as fanciful and went nowhere, not just because of the expense but also because there was no unified European defense strategy or structure that could direct its deployments or operations. However, such thinking reflects the current limited ambitions permeating Europe. Europe is capable of building an aircraft carrier. There is the will to invest in real hardware, but the EU does not have the necessary software—the political, strategic, and bureaucratic structures—in place.

As CAP has argued in a previous report, the major goal of U.S. policy toward Europe should be to foster the emergence of the EU as a major global power and essential partner of the United States.<sup>89</sup> Since hard-power military capabilities still hold immense geopolitical weight, U.S. policy should push the EU to become a prominent defense actor, all the while anchoring it within NATO and the trans-Atlantic alliance.

## **Diplomatic strategy**

Ultimately, it is up to the EU to determine how best to structure and create an EU defense capability. It is not the United States' place to determine what EU defense looks like. But the United States can pressure the EU to think big and push members to adopt a bold, far-reaching approach, and then use its clout and influence with EU member states to follow through. Such a shift in America's approach costs the United States nothing yet could reap huge geopolitical dividends.

This approach would resemble U.S. policy toward Europe after WWII. At the time, the United States encouraged and vigorously supported European integration. The United States was supporting European ideas. The Schuman Plan, named for French Foreign Minister Robert Schuman, gained U.S. support and helped create the European Coal and Steel Community, which integrated the industries needed to wage war and created the beginnings of European integration.<sup>90</sup> The United States later supported a plan from French Prime Minister Plevin for the European Defense Community. U.S. support for European integration prompted Konrad Adenauer, the first chancellor of West Germany, to remark that "Americans were the best Europeans."<sup>91</sup>

In the post-Cold War period, the United States has been anything but the "best Europeans," oscillating between hostility and ambivalence toward the European project. Shifting from such a stagnant and regressive approach could therefore be a game-changer for European defense.

## **The Biden administration should loudly declare its support for EU defense and integration**

U.S. Secretary of State Antony Blinken has previously expressed support for EU defense efforts.<sup>92</sup> Yet in his first in-person meeting with Josep Borrell, the EU's high representative for foreign and security policy, Secretary Blinken failed to call for more ambitious efforts and seemed to echo the same tired approaches put forth by the State Department.<sup>93</sup> Instead, the United States should call for the EU to step up and encourage the EU to develop a strong proposal on EU defense. In the European Commission's 11-page proposal on U.S.-EU cooperation, it only gave brief mention to creating a U.S.-EU security dialogue.<sup>94</sup> Such a step is fine, but the United States should make clear to the EU and advocates of strategic autonomy that there would be support from Washington if they developed a bold proposal.

### **EU leaders should force the issue of EU defense back on the trans-Atlantic agenda**

If the Biden administration is slow to adopt a change in tone, European leaders should force the issue by developing a bold proposal on EU defense and then asking the Biden administration—at senior levels—to endorse it. Senior EU leaders should also put EU defense on the agenda when engaging senior U.S. leaders. Indeed, in his public comments after President Joe Biden's election and inauguration, President Macron has sought to explain French support for the concept of European strategic autonomy not as being anti-NATO but as making Europe a stronger, more capable partner.

### **The United States should use its diplomatic clout to rally support for EU defense efforts**

For instance, the United States should use its clout with Eastern European states with which it has the closest relations and the most leverage to back EU initiatives. These countries have also been fierce proponents of NATO while being strong opponents of European defense and deeper EU integration.

### **The Biden administration should redefine and broaden what it means to be a good NATO ally and trans-Atlantic partner**

The Biden administration should shift its conception of what it means to be a good ally and trans-Atlantic partner. For instance, in a public spat after Biden's election victory, Macron and German Defense Minister Annegret Kamp-Karrenbauer exchanged barbs in the press over European strategic autonomy.<sup>95</sup> Because of U.S. opposition to EU defense, German leaders can claim to be defending the trans-Atlantic alliance despite German inaction on defense. The German position has tried to have it both ways—they have not spent 2 percent of GDP on defense but portray themselves as committed to NATO, all the while claiming to support further EU defense integration. Additionally, U.S. support for EU defense means the United States has a real interest in the development of the EU's fiscal capacity. In the summer of 2020, the EU for the first time agreed to float EU debt to raise money for an EU COVID-19 recovery package.<sup>96</sup> Expanding the EU's fiscal capacity is critical to fund and support a defense capacity. However, the EU's budget is funded through contributions from member states, and when it came to negotiating a new seven-year budget, the so-called “frugal four states”—the Netherlands, Sweden, Austria, and Finland—pushed for a lower EU budget. The results were cuts to EU defense initiatives such as the European Defense Fund and, most critically, an EU effort to retrofit bridges, railways, and roads, which NATO forces would need to travel from west to east. The EU budget was critical to the United States, yet the State Department was largely silent. It did not press the EU or its member states to support a larger EU budget. While it is unclear whether U.S. influence could have made a difference, it is also clear that countries such as Sweden are very eager to build stronger defense relations with the United States given the threat posed by Russia.

## **What about the French?**

One of the major concerns in Washington and throughout Europe is that France will dominate an EU defense force and use it to undermine NATO.<sup>97</sup> “What about the French?” is a common retort to EU defense proposals. The French are certainly known for efforts to slight NATO and have frequently rubbed other EU members the wrong way in pushing for EU strategic autonomy and diplomatic overtures to Russia. Yet fears of French domination of an EU defense force belies the fact that France itself cannot and does not dominate the EU. EU member states successfully and frequently push back against France. President Macron’s bold agenda for the EU never gained German support and struggled to make headway. Moreover, U.S. influence with EU members will remain incredibly robust, and should France pursue a course that is truly adverse to U.S. interests, it would not take much diplomatic effort for the United States to rally others in the EU to block French efforts. Furthermore, Franco-American military relations have become incredibly close, with French and U.S. forces operating together in Africa and sharing an increasingly similar strategic outlook.<sup>98</sup> Ironically, should an EU army or EU defense capability gain steam and develop in such a way that it would infringe upon French control over its armed forces, there would likely be significant French pushback, just as there was over the European Defense Community in the 1950s.

## What could EU defense look like

As for the structure of EU defense, there are many different proposals. It will be up to the EU to determine a structure that suits it best, but the United States should make clear its support for the EU to focus on developing and acquiring new capabilities that can enable Europe to act without the involvement of the U.S. military. Europe should not simply duplicate capabilities that already exist within NATO but establish its own core capabilities that complement the United States, empowering Europe to serve as a coequal partner in the alliance.

### EU as an enabler

One possibility is the EU could pool resources and acquire critical capabilities, especially enabling systems—air tankers, high-altitude unmanned aerial vehicles, transport aircraft, and air and missile defense. These EU-owned assets would be made available to EU and NATO members but would be operated and maintained by the EU. The EU could recruit personnel to operate and train on these systems or incorporate personnel detailed from national forces, just as it does with its diplomatic corps, the European External Action Service, through which diplomats from EU countries are detailed to serve in EU postings. Thus, EU defense efforts could start out by filling clear gaps in NATO capabilities, giving it a clear and defined role. This role could thus start out relatively narrow—focused on procuring and operating a singular system such as a fleet of air tankers—but could easily expand, taking on more systems and responsibilities.

### EU-controlled revenue

The United States could also push the EU to establish a dedicated funding line for EU defense. Supporting an army or defense capabilities requires resources, and the EU will need to control these funds so that they are spent effectively and not bogged down in member states’ domestic politics. The United States should therefore support efforts to bolster and enhance the EU’s fiscal capacity. There are proposals to establish EU-controlled sources of revenue from a digital tax or carbon border adjustment tariffs. Additionally, efforts could be made to either establish EU-controlled revenues for defense or increase national contributions to the EU budget for defense.

## EU defense industrial integrator

The area where the EU has significantly more experience and expertise is in integrating markets. A crucial area where the EU adds value could be in integrating the European defense market and forming a robust EU defense industrial base. This is a place where the European Commission has increasingly sought to engage. However, integrating the EU defense market will be difficult if the EU lacks its own resources to force rationalization. Unlike other market sectors, the defense sector is protected, full of national state-owned companies that are content with the current market inefficiencies. Since defense spending is national, there are few incentives to merge with others and form pan-European companies. However, if there were spending at the EU level, the incentives would shift.

Nevertheless, it is clear that expecting Europeans to spend more on defense by buying American and therefore supporting fewer European jobs is going to lead to less overall European defense spending and weaker public support for defense spending. Instead, the United States should simply accept that it will lose market share in Europe and work with the EU to create closer trans-Atlantic defense industrial collaboration, just as it has with the United Kingdom and Australia. There may also be clear efficiencies, whereby the United States produces items for European forces and vice versa. In short, the United States cannot expect Europe to support the American defense industrial base if it refuses to support Europe's.

## EU armed forces

By establishing an EU armed forces, the EU would stand up its own military, recruiting throughout Europe and acquiring its own defense capabilities. Such an effort would take decades. The idea of standing up an EU military was seen as far-fetched in the 1990s. After all, who would die for the EU? But today, such a call might be answered by quite a few, as the current generation of potential recruits have grown up as EU citizens. Moreover, with a recruiting base of 450 million people and persistently high youth unemployment, the EU could likely recruit a sizable and capable force. However, recruiting is just one aspect of a military. The EU would need to develop its own doctrine, training, and structure and would likely rely on its member-state militaries for assistance. Creating a force from scratch would likely take considerable time and effort, however; this would be a multigenerational project.

## An 'Army of Europeans'

In contrast to an EU army—or a force recruited and equipped by the EU with little to no connection to national member-state forces—Mark Leonard, ECFR director, and Norbert Röttgen, a prominent German conservative politician, argue for the EU to form an “Army of Europeans.” This includes:

**the establishment of a combat-ready flexible European military force able to participate in EU and UN missions, made up of soldiers from different European member states ... [T]hese troops would share equipment, permanently train together, and participate in an annual “train as you fight” exercise. Eventually, this should become a substantial force—in the region of 100,000 soldiers ... Rather than a European Army that would replace national military forces, this should be understood as an additional Army of Europeans. In practice it would be based on combining a small proportion of existing troops and equipment with new forces and resources. But the key point is that each country would retain their existing, fully functional independent military force.<sup>99</sup>**

This concept would enable the EU to adopt a flexible structure through which some member states may choose to integrate their forces into an EU force or contribute to an EU defense fund. Others may insist on maintaining their own national force that coordinates and trains with the EU force. Meanwhile, the EU could pool resources to procure and operate high-end enabling equipment that acts to support or augment EU capabilities.

## **NATO's continuing central role in trans-Atlantic security**

As this report has argued, NATO's central role in European security will not be threatened by the development of an EU defense capacity. This is not simply because the EU can help strengthen NATO's defense capabilities but also because the United States, United Kingdom, Canada, Norway, Iceland, and others are not in the EU. Thus, NATO's *raison d'être* of coordinating trans-Atlantic defense remains intact. NATO's centrality therefore will not be challenged if the EU can form a European or EU pillar within NATO.

### **The United States should insist on closer EU-NATO coordination and integration**

As the EU develops its military capabilities, it will inevitably duplicate some NATO efforts. For instance, despite the EU having different membership and conducting operations abroad, it only has a very limited command structure. This is largely out of concerns over duplication, but complex militaries have duplicative structures all the time—most often to ensure that there are no gaps. In the U.S. military, for example, there is constant overlap and duplication between different service branches, combat commands, and planning offices within the Pentagon. However, the Pentagon establishes coordinating structures to ensure these do not detract from the mission. The EU will inevitably develop its own structures that duplicate some of what NATO does. This will require both NATO and the EU to evolve and adapt.

Moreover, if the EU were to start engaging in developing real capabilities, coordination with NATO would likely improve. Currently, EU-NATO coordination resembles the common quip that “academic politics is the most vicious and bitter form of politics, because the stakes are so low.” Past EU-NATO bureaucratic squabbling was over rather menial issues, yet the interaction has shifted in recent years. As the authors of a Munich Security Conference report assessed, “the positive steps taken on the path towards stronger cooperation between the EU and NATO have opened new ways of combining the strengths of the two organizations, which had long been ‘interblocking’ rather than interlocking institutions.”<sup>100</sup> At the 2014 Wales Summit, leaders agreed that “NATO and EU efforts to strengthen defence capabilities are complementary.”<sup>101</sup> NATO's former Deputy Secretary General Rose Gottemoeller also took steps to improve coordination, being the highest-ranking NATO official to visit the European Defence Agency. Indeed, should the EU develop real capabilities and play a much more substantial role in defense, its interactions with NATO would likely become closer. NATO has also proven throughout its history an immense ability to adapt to new challenges and new membership. As Europe changes, and as the EU develops, NATO will once again need to adapt. As professor and U.S. Army officer Seth Johnston explained in *How NATO Adapts: Strategy and Organization in the Atlantic Alliance Since 1950*, “Unlike other enduring post-World War II institutions that continue to reflect the international politics of their founding era, NATO stands out both for the boldness of its transformations as well as their frequency over a period of nearly seventy years.”<sup>102</sup>

### **NATO should increase its support and emphasis on European force integration**

NATO has pushed a number of initiatives to pool resources and push for joint procurements. NATO should expand these efforts. As the authors have argued

previously, NATO should create its own bank that it could use to finance and prioritize such joint procurements, especially among Eastern European members.<sup>103</sup> Such an effort could include decreasing reliance on aging Soviet-Russian equipment in former Warsaw Pact countries; developing infrastructure to improve capabilities to move forces across Europe more quickly and efficiently; and closing defense planning gaps.

### **With a more capable EU, NATO could increase its focus on global challenges such as China**

At his first speech at NATO as U.S. secretary of state, Antony Blinken mentioned China 12 times and Russia just four times, making it clear that the United States wanted NATO to focus more on the challenge posed by China.<sup>104</sup> While the United States is clearly focused on China, it is not clear that NATO at present should shift its focus away from Europe due to the threat posed by Russia. European military weakness makes shifting NATO's focus on China or threats to other regions of the world much more difficult. But if the EU significantly developed its military capacity such that it had the capabilities and ability to defend itself, it would be natural then for NATO to focus more on global challenges such as China.

### **American grand strategy will need to prioritize U.S.-EU strategic alignment**

There will no doubt be concerns in the United States and in many European states that a stronger, more powerful EU could complicate the trans-Atlantic relationship and erode the NATO alliance. A stronger, more confident EU may turn to Washington less and might chafe at U.S. efforts to lead or direct the alliance, causing trans-Atlantic relations to become more fraught. These concerns are not without some merit. Ultimately, however, a stronger EU will be of immeasurable benefit to the United States, especially given the current geopolitical competition with autocratic states. As the EU strengthens, the United States will need to stop taking the EU for granted and instead focus more diplomatic energy on ensuring U.S.-EU strategic alignment. A guiding strategic objective of U.S. foreign policy should be to ensure close U.S.-EU alignment, just as the United States works to ensure close alignment with treaty allies such as Japan, South Korea, and Australia. Doing so will ensure that advances in EU defense not only result in a stronger EU but a stronger trans-Atlantic alliance as well.

## **Conclusion**

This report has been critical of Democratic and Republican administrations, of the State and Defense departments, and of the think tank community. While this criticism is warranted, it is also harsh. Imagining where Europe and its project is headed is hard to discern. If it is unclear to Europeans, it is hard to cast too much blame on the Washington foreign policy community for resorting to a cautious approach that seeks not to upset the most successful military alliance in history. Yet NATO faces real structural problems, and the status quo does not benefit the United States, Europe, or NATO. In the past 30 years, since the end of the Cold War, Europe has changed dramatically. Yet U.S. policy toward European security currently does not reflect Europe's transformation.

Washington needs to rediscover a vision for Europe. Such an approach must center on strengthening the EU and encouraging it to adopt a more significant global role. For the EU to become a stronger geopolitical actor, it must develop its hard-power military capacity. This poses no threat or challenge to NATO. In fact, the EU, working to strengthen and energize European defense, could reenergize NATO and the trans-Atlantic relationship. NATO has been the center of the trans-Atlantic alliance for more than 70 years not by standing in place but by adapting and evolving. It is time for the EU to become a defense actor and, as it develops, a core part of NATO and the trans-Atlantic alliance.