

- 36 See Estrella, 'After the Madrid Summit', particularly points 17–19. Estrella is very critical of the French approach to this issue.
- 37 See Johnsen and Young, *French Policy toward NATO*, pp. 3–8.
- 38 See *Frankfurter Allgemeine Zeitung*, 5 August 1996 and *Liberation* (Paris), 20 December 1996.
- 39 Briefing prepared by Major J.-M. Burtzlaff, SO Plans, 'Areas of Multinationality and Interoperability', HQ Allied LANDJUT, Rendsburg, 9 May 1996.
- 40 For background on the problems associated with commanding land forces in NATO multinational formations, see Jon Whitford and Thomas-Duwell Young, 'Command Authorities and Multinationality in NATO: The Response of the Central Region's Armies', in Young, *Command in NATO After the Cold War*, pp. 53–73.
- 41 See for example, *Multinational Force Command Authorities Handbook: Proceedings of the CR-CAST Working Group on Command Authorities Required for a Multinational Force Commander* (Carlisle Barracks, PA: Strategic Studies Institute, 1 September 1995).
- 42 See Klaus Naumann, 'An Evolving NATO in an Evolving World – the Chairman's Perspective', *NATO's Sixteen Nations*, vol. 42, no. 1 (1997), p. 14.
- 43 Young, *Multinational Land Formations and NATO*, pp. 22–3.
- 44 In all probability one could expect that Commander JSRC Heidelberg will be for all intents and purposes a land component commander. The designation JSRC (Land Heavy) was given to the command in order to avoid embarrassing nations in Regional Command South. However, this arrangement has not been made formal.
- 45 See 'NATO/Military Committee: Agreement on Command Structure and on SFOR Permanent Presence at its Current Level', *Atlantic News*, No. 2970, 3 December 1997, p. 2.
- 46 See Estrella, 'After the Madrid Summit', particularly point 7.
- 47 *Ibid.*, points 22 and 23.
- 48 See 'NATO Chiefs Wrestle with Command Posts', 22 April 1997, Reuters, 'The PointCast Network'.
- 49 Points stressed in Estrella, 'After the Madrid Summit', point 8.
- 50 See William T. Johnsen, 'Reorganizing NATO Command and Control Structures: More Work in the Augean Stables', in Young, *Command in NATO After the Cold War*, pp. 20–1.
- 51 See *Frankfurter Allgemeine Zeitung*, 5 August 1996.
- 52 See Estrella, 'After the Madrid Summit', point 9.
- 53 de Witk, *NATO on the Brink*, p. 130.
- 54 See, for example, General Helge Hansen, 'Foreword', to Young, *Command in NATO After the Cold War*, p. ix. General Hansen was Commander-in-Chief ARCENT until 1996.

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7

The ESDI, NATO and the new European security environment

The enlargement of the North Atlantic Treaty Organisation (NATO) has concentrated the minds of political and military leaders on both sides of the Atlantic. It has brought to the fore important questions about which institutional structures will best protect the security interests of both Europeans and North Americans. At the heart of this debate is the restructuring of NATO led by the United States and the promise of a future European Security and Defence Identity (ESDI) based on the development of a Common Foreign and Security Policy (CFSP) by the European allies. The future success of these institutions depends upon the evolving European security environment, the problems that the Europeans and the Americans commit themselves to solve, the resources available to each institution for carrying out its missions, and the political leadership and resolve of each institution to exercise its power to create and preserve a peaceful Europe.

To address these issues, we examine the progress made towards an effective ESDI and CFSP by the Europeans, the role of the ESDI within the NATO Alliance as perceived by the United States and the Europeans, and the impact of NATO enlargement and NATO's own internal changes on the creation and consolidation of the ESDI.

Creating a viable 'European pillar'?

The end of the cold war and the conflict in Bosnia prompted a reevaluation of the transatlantic relationship. As NATO was wrestling with the development of a new Strategic Concept in 1990–91, the European allies saw an opportunity to assert a stronger voice in the security agenda. The first step was taken at Maastricht in 1991, where the European Union (EU) set forth its intention to create a CFSP. This step was followed in the June 1992 'Petersberg Declaration',

which laid out the general guidelines for a European-led security organisation. The Declaration reinvigorated the Western European Union (WEU) by creating a WEU Planning Cell; and it delineated security tasks for the WEU in the areas of peacekeeping, humanitarian intervention, rescue tasks, crisis management and conflict prevention. In Luxembourg in 1994, the members outlined the responsibilities of full members, associate members, observers and associate partners.

These organisational tasks were accomplished at a series of ministerial meetings over the first three years of the process, but the creation of an 'effective' ESDI would be much more difficult. An effective ESDI will require political cohesion, an independent staff organisation, designated forces and leadership. Political cohesion in the ESDI has been problematic. There have been differences in defining the conditions for the use of the WEU Humanitarian Task Force, and differences in political objectives in the recognition of Slovenia, Croatia and Bosnia. Indeed, there have been difficulties in reaching consensus on the proper role of the ESDI *vis-à-vis* NATO.²

Political cohesion was shattered by Bosnia. Germany took the first steps diplomatically and was met with a resounding reluctance of other members to follow its lead. The disastrous role of European troops taking part in the United Nations Protection Force (UNPROFOR) mission reinforced the determination of France and the United Kingdom that they would not risk their troops there again without the presence of the United States on the ground as part of a NATO force.

France and the United Kingdom are at opposite ends of the spectrum when it comes to the creation of the ESDI. The British want the ESDI buried deep within NATO, while France would like the ESDI eventually to become the defence arm of the EU and independent of NATO. The Petersberg Declaration stated that the ESDI would be responsible for humanitarian and rescue tasks, peacekeeping and peace enforcement missions, and crisis management. Yet these are the very tasks at the heart of the enlarged and restructured NATO, working in tandem with Partnership for Peace (PfP) states. ESDI is envisioned as acting whenever the United States does not take part in such missions, but if Albania, Bosnia and Kosovo are any indication, the states required to provide the military and political resources for successful ESDI missions are unwilling to take action without US involvement.³

The actions taken in Bosnia from 1991 to 1995 provided some lessons in political cohesion, which included the need to enunciate clearly the political goals of those that intervene, and the continuation of consultations and mission review to coordinate national expectations and defence policies. An effective ESDI would also require the enlargement of a new staff and planning organisation. Currently, the WEU has a Planning Cell of approximately sixty, while NATO employs over 1,000 planners at Supreme Headquarters Allied Powers Europe (SHAPE). The WEU staff is expected to draft contingency plans for

ongoing crises that may require intervention, define mission roles for dedicated forces, create force packages ready for rapid deployment, develop command and control arrangements for deployed forces, and link the intelligence and logistics capabilities of NATO to WEU missions in the field. To fulfil all of these functions, the ESDI will, for the foreseeable future, be dependent on NATO.

The professional staff of the WEU is hampered by decision-making rules at the political-strategic level. The European Council is responsible for defining the principles and guidelines of the CFSP on a unanimous basis, yet the European Commission can make proposals to the Council and can participate in all discussions. Moreover, the European Parliament has the right to be consulted on all CFSP matters, but has no direct powers of decision. Such a convoluted decision-making process in the area of foreign and security policy stands in stark contrast to the centralised and strictly intergovernmental decision process in the North Atlantic Council (NAC) at NATO.

The Europeans have been more successful at creating designated forces of a multilateral nature that would be available for ESDI missions. At the present time, the Eurocorps, the European Force (EUROFOR) and the Multinational Division are land forces designated for ESDI missions. All of these forces are separable from US forces in NATO and have chains of command that lead up to the Deputy Supreme Allied Commander Europe (SACEUR) (a European designated to command an ESDI mission when the US chooses not to participate). Also available are a joint UK/Netherlands Amphibious Force and the European Maritime Force. It will be the political direction and leadership that determine whether or not these forces are able to fulfil their potential in the future European security order.⁴

The question of leadership within the ESDI is an important one. At Madrid in 1995, the Europeans declared that the implementation of the CFSP would include the eventual formation of a common defence policy, which might, in turn, lead to a common defence. Carrying out such a far-reaching vision requires consistent leadership, and it is here that the ESDI is in danger. The designation of mission commanders and the designation of 'lead' nations for missions is left to the WEU's Council of Ministers. There is no structure comparable with NATO's integrated military command, with its regular rotations and clear American leadership. In the absence of greater movement towards political union within the EU, the WEU would appear to be incapable of producing a consistent and legitimate leader: Germany is unable (and unwilling) to lead owing to its historical baggage in the area of security; France has too antagonistic a position *vis-à-vis* the role of the United States in Europe for both Germany and Britain; and Britain is far too Atlanticist ever to gain the approval of France. There is also no political structure comparable with the authority and legitimacy of the NATO Secretary-General at the head of the NAC. Only recently, at Amsterdam in 1997, have the Europeans agreed on the limited step of harmonising the rotating Presidencies of the EU and WEU.

ESDI and national interests

How will the ESDI evolve in the face of the conflicting interests of its members? Can there be a 'European pillar' if there is no common European interest? The same question can be asked of NATO: What are the common interests of the United States and the Europeans if there is no threat from Russia? What should the role of the ESDI be within NATO? Will this threaten the legitimacy of American leadership and thereby weaken the American commitment to NATO?

The primary players in the ESDI are acknowledged to be Great Britain, France, Germany and Italy. When NATO agreed to the development of the ESDI within the Alliance at Brussels in 1994, the reaction of the European states was indicative of the divisions within Europe that could have negative consequences for the political cohesion and leadership of an ESDI. These foreign and defence policy questions are made all the more difficult by the public's preoccupation with pressing domestic economic issues of unemployment and sluggish growth, as well as the advent of European Monetary Union (EMU). The selection of the eleven nations qualified to join EMU in spring 1998 triggered a series of necessary legislative actions before the formal establishment of monetary union in January 1999. The adjustment in private as well as governmental sectors has been substantial and may be expected to require tremendous manpower and resources as the economies of the EMU members are adjusted, not to mention the concomitant international adjustments. In addition, enlargement of the EU to include at least six new members will begin, also demanding close attention and high-energy negotiations for a range of EU and national officials. The combined impact of these two undertakings well into the next century cannot be understated and should not be underestimated.

Across Europe, from Britain to Germany, public opinion polls demonstrate that there is a negligible interest in foreign affairs and defence policy.⁵ This lack of public interest, combined with a sincere belief in many European capitals that no major European power could naturally assume the lead, argues against the rapid development of a robust ESDI. There has been a notable change in the American attitude towards closer European efforts in this area; the days of the 'Bartholomew Blast', when the Franco-German announcement of the Eurocorps without consultation with the United States caused a near rift in US-European relations, appear to be over. The Clinton administration has clearly taken a more relaxed view of European efforts, and coordination appears to have improved considerably. On all sides, there have also been fairly successful efforts to forge a consensus between the United States and the disparate views among the Europeans as to the best approach to the ESDI.

At one extreme is France, maintaining its consistent stand for a robust and very independent ESDI. France views the ESDI as a tool for implementing EU decisions which have defence implications, rather than as a 'working group' within NATO and under US direction. French governments, both Conservative and Socialist, see the ESDI as building European cohesion and leading to

European independence. The French, with ambitious new plans for developing integrated rapid deployment forces for power projection, would be in a clear leadership position in this view of the ESDI. French leadership of multilateral forces would be natural considering the uni-dimensional character of the forces of other European states, with the exception of Britain.⁶

At the other extreme is Britain, maintaining its consistent position in the 'special relationship' with the United States. The British perception of current NATO arrangements is that they serve as bridge between the Americans and Europeans, a position that would be lost with a robust ESDI at the periphery of NATO. Since Maastricht in 1991 and Brussels in 1994, British governments have called for an ESDI closely tied to NATO. Using economic arguments against duplicating force structures, logistics, space satellites and intelligence resources, the British struggle to make sure that the ESDI will depend on NATO for the successful implementation of peacekeeping, humanitarian and crisis management missions that require force deployments, leaving an ESDI to handle humanitarian and rescue missions, as well as non-military security missions (such as the policing of Mostar in the former Yugoslavia).⁷

In between these two extremes are Germany, Italy and other states such as the Netherlands and Denmark.⁸ The Germans have tried to mediate between the British and French positions on a new ESDI. They are torn by the contrary implications of the Anglo-French approaches to the ESDI. The limits (both internal and external) on the deployment of forces outside German territory make it difficult for Germany exactly at the moment when territorial defence has been supplanted by interventions aimed at peacekeeping, peace enforcement and crisis management. German potential to be the dominant European power on the continent depends on cooperation with the Americans under the NATO umbrella, while, at the same time, German aspirations for a federal Europe with Germany at the centre are bound to the development of a robust ESDI in conjunction with France.

The Dutch have steered a middle course. They prefer that ESDI play a role in conflict resolution (similar to the joint WEU/Organisation for Security and Cooperation in Europe (OSCE) Danube Deployment between Hungary and Serbia) and crisis management (as in Albania under Italian leadership), yet remain within NATO and under US leadership to carry on robust peace enforcement (Bosnia) and power projection missions.

The Italians have taken a pragmatic rather than doctrinal approach to the problem. They have demonstrated a willingness to use the ESDI concept and the Combined Joint Task Force (CJTF) concept in response to low-level crisis management situations such as Albania. Faced with the unwillingness of other major European powers to play a leadership role, and the reticence of the United States to become involved on the ground, the Italians put together a 'coalition of the willing' as envisaged by NATO and the WEU.⁹

While these *ad hoc* arrangements may be a bridge to the future, they are not a substitute for clear military chains of command leading up to account-

able political organisations with agreed upon decision-making processes. It is when this stage of the process is reached that the conflicting interests and fears of the Europeans become apparent as a major roadblock to the creation of the ESDI. It is at precisely these moments that NATO and US leadership are put to the test. It will be NATO's relationship with the ESDI and US willingness to do no less as the Europeans do more that determine the success of the transatlantic relationship in a rapidly evolving European security environment.

The United States, NATO and the ESDI

The relationship between NATO and the ESDI will depend heavily on the support of the United States for concept and implementation. The United States has over the past five years consistently backed an ESDI within NATO as a component part of the restructured NATO. The United States has sought to shape the ESDI in such a way that it is at once a part of the new NATO which can act without the participation of United States combat forces, and at the same time remains tied to NATO through the political process of the NAC (where the power of persuasion held by the largest NATO ally is so very clear) and the military structure of CJTFs, logistics, intelligence and space resources.¹⁰

The Clinton administration, since the Brussels summit of 1994, has supported the development of the ESDI with the recognition that such a course must skate a fine line. On the one hand, critics can argue that as the Europeans take on a larger role in the security order, the United States can reduce its commitments to the continent, engaging its forces only in the face of a clear Article 5 violation which threatens the vital interests of the Alliance and the United States. On the other hand, critics can argue that the ESDI will lead to operations where American forces (though not necessarily and strictly combat forces) could be placed in danger, where American resources and capabilities could be at risk, and where Americans could be expected to contribute to the costs of such operations. Moreover, the NATO allies are presently dependent on US intelligence and logistics for almost any operation, involving the United States at least indirectly even in 'European undertakings'. In such an event, an American would not be in command of such operations, creating both an enormous domestic political risk as well as diplomatic liabilities for the administration.¹¹

The administration's commitment to supporting the applications of Poland, Hungary and the Czech Republic for NATO membership, as well as its endorsement of the ESDI within NATO, are also risky in terms of public support for these policies. Gallup polls from the past two years demonstrate that only 1 per cent of the public consider foreign affairs to be the top priority of government policy. This lack of attention is not necessarily an obstacle. This has also been the case at times past in American history, and the attention and support of 'elites' provided the necessary backing and leadership for US involve-

ment in a range of foreign and defence policy initiatives by successive administrations. But the prospects for a broadly based elite consensus on foreign policy are not promising since only 7 per cent of 'opinion leaders' identify foreign affairs as the government's top priority.

The administration has also had to contend with Congressional actions that strain the transatlantic relationship. From the Helms-Burton Act and the Iran and Libya Sanctions Act, to the very real decreases in the foreign affairs (20 per cent between 1990 and 1996) and defence (25 per cent between 1990 and 1996) budgets, Congress has strained the administration's resources and capabilities that can be devoted to the maintenance of NATO and European security. These policy trends were coupled with continued Congressional pressure on the Europeans to assume greater, if not sole, responsibility for the Bosnia operation after June 1998. The administration resisted the pressure and secured the continued presence of the Europeans in Bosnia by pledging to continue the American commitment beyond the June 1998 deadline. America's commitment to the Bosnia operation was predicated on the importance of maintaining American leadership of NATO as a vital national interest. With an increasing tempo of deployments (although at a much reduced war readiness level) and a shrinking real defence budget, an even greater importance is attached to leadership of multilateral coalitions and sharing the burden of security risks with the allies.¹²

This environment made the vote on NATO enlargement so important. A clear signal of continued American willingness to demonstrate political leadership, to expend money to bring the new members up to NATO interoperability standards and to continue the leadership role in Bosnia was crucial to keeping the ESDI within NATO. For the United States, and particularly Congress, there has been a corresponding expectation that the Europeans assume a greater share of the financial and diplomatic costs attending the new members and there be general agreement that the Alliance not embark hastily on further enlargements that would put too heavy a burden on the US nuclear guarantee and the NATO-Russia relationship.

For the United States, an ESDI within NATO is not only possible but highly desirable. As NATO undergoes internal restructuring, the time is now for redefining responsibilities and missions to reflect the European desire for a greater role in NATO. This restructuring is important because NATO must be ready to respond in the new security environment with vastly reduced forces available. The average defence budget for members is down 30 per cent from the 1980s, while US forces committed to NATO have been reduced by 66 per cent. With this reduction in force has gone a shift in NATO's force structure from territorial defence at a high state of readiness to much smaller rapid reaction forces.

To reflect these changes, NATO reduced its major commands from three to two and its subordinate commands from four to three.¹³ Within this new command structure, a greater role for European officers was created, making

the Chief of Staff at SHAPE a permanent European post, designating the Deputy SACEUR as the commander of ESDI forces in the case of WEU operations without US participation, and, to signify the importance of information sharing between both ends of the transatlantic Alliance, the Deputy Chief of Staff for Intelligence position was designated a European post.

All of these measures will facilitate cooperation at the strategic command level, and they are part of a new NATO structure that extends down to the operational level. At the staff planning and exercise level, the WEU and NATO are preparing for joint exercises in accordance with NATO procedures for the year 2000, and specific NATO assets at all levels have been assigned for future ESDI missions.

At the tactical level, the CJTF concept has created positions for European leadership of multinational forces that are part of NATO's regular available force structure. These forces are also separable from NATO upon the approval of the NAC, serving the purpose of ESDI missions and allowing PFP states another avenue for cooperation in peacekeeping, humanitarian and crisis management missions.

At this point, an ESDI is limited by its inability to engage in robust power projection and peace enforcement missions because of the lack of corps-level forces in NATO led by the United States. For now, CJTFs are smaller units capable of limited missions, but they have the potential to be the nucleus for larger multinational units capable of responding to out-of-area threats. An example of the future possibilities for CJTFs is at work in the Baltic region. Germany has taken the lead in the naval activities and Norway has set up a CJTF headquarters for air/space control. This has filtered down to the Baltic states with the formation of a combined battalion, which trains in English, uses NATO doctrines and trains for peacekeeping missions with leadership from officers and non-commissioned officers who have served in Bosnia with NATO troops.¹⁴

The American position on an ESDI within a restructured NATO has a number of benefits for the United States, the Alliance and the Europeans. It continues the political leadership of the United States by channelling mission decisions through the NAC, where American leadership is unquestioned. It has economic benefits by keeping ESDI and NATO from duplicating important tasks. It creates better military cohesion by making sure that separable, but not separate, units used for both NATO and ESDI missions have a uniform set of operating procedures. It allows for ESDI-PFP cooperation to take place under NATO standards. It gives the Europeans access to NATO and American power projection, communications and intelligence resources that it would be impossible to duplicate without years of investment (e.g. forty-six of forty-eight satellite communication links used in Bosnia are American). All these benefits argue for developing the ESDI within the NATO structure so that NATO can have the two pillars (American and *European*) that were the hope of its founders fifty years ago.

NATO enlargement: effects on the ESDI?

There has been significant controversy in intellectual circles in the United States over the question of NATO enlargement. EU enlargement, the ESDI and the extension of American commitments into the heart of eastern Europe. Why has NATO enlargement proceeded faster than EU enlargement? Would the consolidation of democratic reforms be better achieved by economic integration of emerging states or by the extension of security arrangements into the former states of the Warsaw Pact? What do Poland, Hungary and the Czech Republic want out of this process? Would an ESDI linked to EU enlargement for the three states create greater stability in the west's relations with Russia than the enlargement of NATO?

For fifty years, the carrot that was held out to the central and eastern European states was that the benefits of western Europe could be theirs if they were able to become liberal democracies independent of Soviet domination. Those benefits, whether related to security, politics or economics, were portrayed as indivisible. They were all wrapped up in one package: the Marshall Plan, NATO, the EU, the Organisation for Economic Cooperation and Development. With the collapse of the Berlin Wall and the Soviet Union, it was inevitable that the emerging democracies would be desirous of gaining the benefits of membership in the key western institutions.

NATO enlargement has preceded the expansion of the EU for a number of reasons that have implications for the development of the ESDI inside NATO. Both American and European allied interests are served by the expansion of NATO. The Europeans acknowledge that the process will provide greater security for Germany, increase regional stability, reduce the chances of more Bosnia-type conflicts erupting, and increase the legitimacy of NATO as the European security organisation for the twenty-first century.¹⁵ The EU has been preoccupied with 'deepening' rather than 'broadening' its institutions.¹⁶ Moreover since Maastricht in 1991, the EU has been concerned with extending its reach into sensitive areas of sovereignty for current members, notably the Social Charter, EMU, CFSP and a reform of the Common Agricultural Policy. The economic state of the former Warsaw Pact members was such that the EU was reluctant to consider membership for them. It only did so in 1997 with much prodding and by naming the countries considered potentially eligible by 2002, at the earliest. While the central and eastern European states have seen investment from private European sources, the European Bank for Reconstruction and Development, and the European Investment Bank, and residual bilateral aid from individual European states, these states remain far behind the current members of the EU in per capita GDP. None yet meet the economic or social minima that would enable them to join the EU single market without a long transition period.

At the same time that the EU was concerned with its own internal development, NATO was taking its first steps to embrace the emerging democracies.

NATO's PfP programme opened up the east with greater confidence-building measures, more transparency in defence budgeting, officer exchange programmes, joint exercises and the development of opportunities for participation with NATO forces in peacekeeping operations. NATO's George Marshall Center started to bring the officers of the emerging states into contact with NATO doctrine, strategies, planning and civil-military relations. Such programmes laid the groundwork for the expansion of NATO by supporting the transition to democracy in central and eastern Europe; NATO facilitated the necessary transition to civilian control of the military and generally democratised the civilian structures responsible for foreign and security policies.

The effect of enlargement on relations with Russia has yet to be seen. For Russia, NATO's expansion and the events at Madrid in July 1997 made the revolution of 1989 irreversible. The signing of the NATO-Russia Founding Act and the development of a Permanent Joint Council (PJC) have the potential to bring Russia into the emerging European security order. NATO Secretary-General Javier Solana has been so pleased with the progression of the PJC that he has mused about the possibility of bringing Russia into some of the emerging CTF exercises and eventual operations.¹⁷

A less confrontational approach with Russia may have been the expansion of the EU and the integration of NATO's new members-to-be into the WEU and a strictly European ESDI outside of NATO. We have already discussed the economic rationale behind the EU decision to postpone enlargement. Without full membership of the EU, the emerging states are consigned to associate partner status in the WEU without all of the benefits of the ten full members of the WEU. Even with NATO membership, these states will remain WEU associate partners.

The interests of Poland, the Czech Republic and Hungary are definitely served by NATO membership, but their inclusion in the Alliance will have real benefits for all the members of the Alliance. It is also better that integration takes place within NATO, rather than outside it. All three states recognise that the security commitment of NATO and the United States is more important than a similar commitment from a still-developing ESDI. All three recognise that the expenses of achieving interoperability will be enormous, but that NATO's common budget provides a more stable source of finance for helping with those costs, as well as providing an avenue for demonstrating their own commitment to making a contribution to the Alliance. All three, especially Poland, want the security commitment of the United States that comes with NATO membership. They are clearly influenced (and rightfully so) by the experiences of Soviet domination during the cold war, and they equate the United States' leadership with NATO and membership of the 'west'. The ESDI is currently unable to offer anything comparable in terms of socio-political commitment, legitimacy or integration.¹⁸

The enlargement process mandated that all three new members reach agreements on ethnic conflicts, minority rights and border disputes with neigh-

bouring states. Also, in the hopes of being admitted to NATO, other states in the region reached similar agreements. Together, these political decisions created a more stable region and set in motion ongoing dispute resolution processes that could head off the types of conflict that sparked the war in Bosnia and still have repercussions in Kosovo, Serbia and Albania. The process also mandated new internal civil-military arrangements in new member states to bring them into line with standards in current member states. Such actions can create more domestic stability and lessen the chances of instability on the borders of current member states. NATO membership will also give the new members a voice in the WEU and ESDI that is greater than that which they had as PfP members, even though they will be denied voting status as full members of the WEU. They will be able to contribute to the ESDI through the WEU Planning Cell, participation in missions, attendance at ministerial meetings, and the designation of national forces and budgetary support for ESDI missions.

This enlargement process does not threaten the continued development of the ESDI. On the contrary, ESDI is further strengthened by providing important opportunities for new members to contribute and learn from operations below the level of a Bosnia-type operation. It is hard to imagine an ESDI taking on large-scale operations without the United States, but some peacekeeping, humanitarian and crisis management missions are integral components of the ESDI concept. If they are similar to the 'coalition of the willing' led by Italy in Albania, the new members of NATO increase the pool of countries which can contribute to the coalition. If the ESDI concept relies on not duplicating the expenditures and resources provided by NATO, then NATO's expenses in the new member states will increase the resources available for ESDI missions closer to regions that might become unstable. If the ESDI concept is to provide a truly 'European' pillar to the Alliance, then ESDI is made stronger by becoming more representative of the interests of the democratic states of Europe.

The ESDI and NATO: ready for the future?

Embedding the ESDI within NATO is essential for the success of both for the future. NATO possesses the requisite characteristics of a security organisation strong enough to create a stable European environment. An independent ESDI, outside of NATO, would not have the capabilities (political, economic and military) needed to carry out a Bosnia-type mission for some time.

On the political front, NATO leadership is provided by the United States, unlike an ESDI outside of NATO, where no state is ready to assume a leadership role or cede one to another. From the decision to extend enlargement to only three states to a range of other issues, the United States has been a driving force behind the solutions adopted by NATO.¹⁹ In the face of strong domestic criticism in academic and expert circles, the Clinton administration has been

able to secure Senate approval of enlargement (by a vote of eighty to nineteen), despite reports that the cost of enlargement could range up to 124 billion dollars over a ten-year period.²⁰ On the CJTF concept, the United States' position has been consistently supportive because of the opportunity it presents for the development of European-led operations within NATO. Throughout the Bosnian conflict the US pushed for the use of air strikes to halt aggression and bring the parties to the realisation that peace talks were in their best interest, as well as the deployment of a robust peace maintenance force.

There is no European state capable of playing a similar role. European states were split over whether or not to invite three, four or five states to join NATO at the Madrid summit. France wanted to extend the invitation to include Romania and Slovenia, while Germany also weighed in with support particularly for Slovenia. The British supported the American position. Italy was concerned that Slovenia be invited and supported France to some degree on Romania. No common position was adopted by EU members under the CFSP. In the vacuum, France made its return to NATO's integrated command conditional on the decision regarding Romania and Slovenia, and the Allied Forces Southern Europe (AFSOUTH) command going to a European. France was isolated on the AFSOUTH command issue: Britain lined up with the United States; Germany tried to steer a middle course between France and the United States without endangering its position as America's leading continental ally; and Mediterranean members of NATO opposed France on the issue of AFSOUTH command, although they wanted invitations to be extended to Romania and Slovenia as well as the three states in the centre of Europe.²¹

With regard to Bosnia, the ESDI is not ready to assume such a robust peace-keeping task. On Bosnia there was no consensus on important political decisions. Early on (and ahead of the other European powers), Germany recognised the independence of Slovenia and Croatia. Yet when hostilities broke out between Serbia and Croatia, it was the troops of other European powers that were deployed as peacekeepers for UNPROFOR. France and Britain were unwilling to commit the large forces needed to separate the parties and enforce peace without the United States taking part, and they were also unwilling to use air strikes while their small numbers of peacekeepers were vulnerable on the ground as part of UNPROFOR. Britain's Sir Peter Inge, the former Chief of Defence Staff, stated that the WEU and ESDI (because of the lack of a concrete political-military structure at the strategic level) were not ready to run the Bosnia operation, even at the reduced force levels required two and a half years after the first NATO troops arrived.²²

On a more general level, there have been attempts at investing leadership in a Franco-German agreement on a common defence concept. When Chirac and Kohl came to a tentative agreement in January 1997, it was immediately attacked in France and throughout the continent. Chirac had to reassure Parliament that he was not using this argument to bring France back into NATO or to extend the French nuclear deterrent to German territory. The German government had to reassure other Europeans that this was not an attempt to

gain privileged access to the French nuclear deterrent. As opposition grew, the final document became quite bland. It called for the parties to develop a common definition of their defence goals, a common approach to military strategy, and increased armaments production and research and development cooperation.²³

With the military profession undergoing a revolution in technology, the armaments production and research and development systems that support the military capabilities of both the United States and Europe have become an important measure of how well prepared a security organisation will be in the future. By this standard the United States and NATO have much to offer the Europeans if the ESDI is developed within the Alliance.

The United States enjoys a commanding lead in information technology, space communications and intelligence, precision guided munitions and automated battlefield capabilities. There is a growing gap in technology, even between the United States and its European allies. An ESDI developed within NATO would be able to draw on NATO's new standardisation organisation, which is seeking to minimise the technology gap with regard to defence materials and battlefield equipment. Because Europe is devoting only 32 per cent as much money to military procurement as the United States and only 53 per cent as much money to research and development related to the above fields, ESDI would be severely weakened by trying to develop capabilities similar to NATO outside the Alliance structure.²⁴

An effective ESDI standing alone would require a single coordinated arms development and procurement structure to be a true counterpart to the Americans.²⁵ Starting in 1991, the Europeans placed the goal of armaments co-operation at the top of their agenda. That year, the WEU called for a study by member states of armaments cooperation. In December 1993, the French and German Defence Ministers proposed a joint arms procurement agency. By 1996, the Defence Ministers of France, Germany, Italy and Great Britain had signed an agreement to create the Western European Union Arms Organisation to administer research and development contracts. They also created the Western European Armaments Group as a forum for discussing the harmonisation of arms procurement. By 1997, however, issues of national sovereignty were inhibiting cooperation, as cross-border mergers were questioned and economic pressures threatened cooperation on important projects such as the Eurofighter.

The ESDI also has no agreed upon budget contributions to provide for infrastructure development and spending to ensure interoperability. European states wishing to enter western institutions seek inclusion in NATO with its much larger and more secure resources, rather than pressing for membership in an independent ESDI loosely linked to NATO. This central and eastern European preference is only one of the problems facing the development of an ESDI. The states which would lead ESDI lack common industrial and technology policies, and disagree on the evolving nature of the European defence industry (should it be dominated by private firms as in America, or should it

be dominated by state-held firms as in France?). Britain, France, Germany and Italy, in particular, are in danger of developing redundant capabilities at a time of reduced defence budgets. They face skyrocketing procurement costs because of limited export markets owing to America's technological lead and the cut-rate deals offered by Russia and China.

Developing an ESDI within NATO offers a way out of these problems. States have designated funds for the NATO common budget and have an existing decision-making process for allocating that money to all member states on projects seen as in the best Alliance (not national) interest. There is no common industrial or technology policy in NATO, but the emphasis on interoperability of forces provides an incentive for the coordination of important procurement policies. Embedding the ESDI in NATO and creating truly shared planning reduces the chances of developing redundant capabilities in an era of defence budget reductions.

The development of the ESDI within NATO can take advantage of NATO's superior military capabilities across the board. If NATO develops a robust peace enforcement outside NATO territory, then power projection is going to assume more importance than territorial defence. European forces have been structured for territorial defence for forty years (and as such lag behind the US in air and sea lift capacity), whereas NATO and US forces have been created specifically for power projection and rapid deployment.²⁶ Moreover, an ESDI could not count on cohesion at the strategic level. French military strategy has been shaped by out-of-area commitments in sub-Saharan Africa and North Africa. German policy has been shaped by the possibility of extending the security frontier to Poland and getting Germany off the front line. The relationship with Russia has also been a key point for Germany. Italy has argued that the strategic vision should be broadened to the Mediterranean region more generally.

Putting strategy into effect requires military power, and it is here that the ESDI will have to lean on NATO to achieve its objectives. The Europeans have not only failed to keep up with the United States in force modernisation, but have reduced spending on procurement and research and development. This has led to deficiencies in lift capacity, information warfare capabilities, and space communications and intelligence. France is the only European state that is spending a significant amount of money to modernise its power projection capabilities. The WEU has no permanent command and control structure, but is dependent on assembling its forces and creating such structures as the crisis management mission or peacekeeping mission proceeds. The European Satellite Centre became operational in 1996, but is still in its infancy compared with the capabilities of the United States and NATO. That same year the WEU created an intelligence section within the Brussels headquarters. This step was necessary because of the agreement between the WEU and NATO on information sharing and the increased flow of data and intelligence from NATO to the WEU.

The WEU's 1995 summit concluded that more military capabilities were needed, that European forces needed better coordination with NATO, and that the WEU lacked mechanisms for clearly spelling out the political aims of a military mission. The WEU noted important deficiencies in strategic lift, rapid deployment forces, telecommunications technology and interoperability. It is precisely these military capabilities that will be required for Bosnia-type operations in the future. Europeans responsible for implementing the ESDI have admitted that, for the near future, they will need to rely on the resources of the United States and NATO to implement missions that are less dangerous and less complicated than Bosnia.

Conclusions

The future of the ESDI is bound up with the future of NATO. Given the domestic political arguments on each side of the Atlantic, the requirements of coalition cohesion and leadership, and the military requirements to carry out the designated security roles of each organisation in a future European security order, an ESDI that is an integral part of an enlarged NATO with a strong American commitment is a must.

In the United States, continued political support for an American leadership role in NATO and for the use of American resources to support ESDI missions will be based on evidence of increasing European cohesion and willingness to take on larger roles in peacekeeping and crisis management missions where American interests are present but not vital. In Europe, the new members of NATO (and those hoping to join in the near future) are able to garner political support for continued military expenditures and force modernisation by holding out the promise of NATO protection and engagement. European members of NATO and the WEU are confronted at home with shrinking defence budgets, increasing demands from publics affected by long-term high unemployment and looming reform of the welfare state. An ESDI which relies on NATO to help implement its missions and provide resources will reduce both the financial costs and political resistance to independent action. Politically, an ESDI which links Germany and France into NATO will dispel fears among other European states, as well as encourage further cooperation from Britain, the Netherlands and other states more closely aligned with the United States.

Only NATO possesses the political cohesion and leadership to maintain successfully a long-term coalition for providing European security. No European state is ready to assume leadership of the ESDI, with all of the attendant costs of leadership. No European state is ready to cede leadership to the states that could reasonably provide it. France was opposed by other states on key policy issues regarding command structures in NATO and the enlargement question. France is also opposed by many states regarding a European role in

Africa and the Middle East. Britain is perceived as too close to the United States and uncommitted to linking the military, foreign policy, economic and social dimensions of the EU into a cohesive whole. Germany has domestic and international legitimacy questions that remain an insurmountable barrier to leadership. When the Germans did first attempt Balkan diplomacy, they went alone and were unable to carry other states with them. The handling of the Bosnia conflict before NATO's intervention in 1995 is a case study in the lack of cohesion and leadership at the heart of the ESDI.

On the contrary, American leadership in NATO has been demonstrated throughout the post-cold war period on issues from enlargement to command structure, to the CJTF, to investment in infrastructure and equipment, and to Bosnia. The United States gives NATO a much needed global orientation, and the issue agenda for new roles for NATO, negotiates disputes between member states, provides resources no other member can or will provide, and accepts the political costs of leadership.

Lastly, the military capability requirements for creating a new European security order are best fulfilled by an ESDI within NATO. The reductions in the threat of Article 5 missions and the needs of territorial defence are matched by the rise in missions related to peace enforcement, crisis management and out-of-area threats to the interests of members. The capabilities needed for those missions are found inside NATO and specifically in the United States, and they can be used for ESDI missions. NATO's command and force structures (CJTFs) are in place to respond to these threats; they do not have to be created through new institutional arrangements on a case-by-case basis. NATO's legitimacy as the best representative security organisation for the community of democratic states is a valuable military capability and diplomatic instrument for the resolution of conflicts and the maintenance of peace once deployed.

For the foreseeable future, European security will be enhanced by a powerful NATO with a strong ESDI component. It will continue to be a vehicle for the Europeans to pursue closer security ties while also confronting the incredible challenges of both the tremendous restructuring necessary in light of the economic crisis in Europe today and the establishment of a viable and strong EMU. Furthermore, NATO is a proven organisation that has fostered cooperation between Europe and North America since its founding in 1949. NATO is the only institution linking the security interests of both sides of the transatlantic bargain; it is the only organisation that possesses the political, economic and military resources necessary for the preservation of European security and the growth of the democratic community.

Notes

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Council. The views expressed, however, are solely those of the authors and do not necessarily represent the views held by institutional or governmental affiliation.

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