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NATO and the European Union

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NATO and the European Union

Summary

Since the end of the Cold War, both NATO and the European Union (EU) have evolved along with Europe's changed strategic landscape. While NATO's collective defense guarantee remains at the core of the alliance, members have also sought to redefine its mission as new security challenges have emerged on Europe's periphery and beyond. At the same time, EU members have taken steps toward political integration with decisions to develop a common foreign policy and a defense arm to improve EU member states' abilities to manage security crises, such as those that engulfed the Balkans in the 1990s.

The evolution of NATO and the EU, however, has generated some friction between the United States and several of its allies over the security responsibilities of the two organizations. U.S.-European differences center around threat assessment, defense institutions, and military capabilities. Successive U.S. administrations and the U.S. Congress have called for enhanced European defense capabilities to enable the allies to better share the security burden, and to ensure that NATO's post-Cold War mission embraces combating terrorism and countering the proliferation of weapons of mass destruction. U.S. policymakers, backed by Congress, support EU efforts to develop a European Security and Defense Policy (ESDP) provided that it remains tied to NATO and does not threaten the transatlantic relationship.

Most EU member states support close NATO-EU links, but also view ESDP as a means to give themselves more options for dealing with future crises, especially in cases in which the United States may be reluctant to become involved. A minority of EU countries, spearheaded traditionally by France, continue to favor a more autonomous EU defense identity. This desire has been fueled further recently by disputes with the United States over how or whether to engage international institutions, such as the United Nations, on security matters and over the weight given to political versus military instruments in resolving international crises.

This report addresses several questions central to the debate over European security and the future of the broader transatlantic relationship that may be of interest in the second session of the 110th Congress. These include what are the specific security missions of NATO and the European Union, and what is the appropriate relationship between the two organizations? What types of military forces are necessary for NATO's role in collective defense, and for the EU's role in crisis management? Are NATO and EU decision-making structures and procedures appropriate and compatible to ensure that there is an adequate and timely response to emerging threats? What is the proper balance between political and military tools for defending Europe and the United States from terrorism and weapons proliferation? What is the effect of enlargement on security and stability?

This report will be updated as events warrant. For more information, see CRS Report RL33627, *NATO in Afghanistan: A Test for the Transatlantic Alliance*, by Paul Gallis, and CRS Report RS21372, *The European Union: Questions and Answers*, by Kristin Archick.

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NATO and the European Union

Background

Both NATO and the European Community (EC), now the European Union (EU), had their origins in post-World War II efforts to bring stability to Europe. NATO's original purpose was to provide collective defense through a mutual security guarantee for the United States and its European allies to counterbalance potential threats from the Soviet Union. The European Community's purpose was to provide political stability to its members through securing democracy and free markets. Congress and successive Administrations have strongly supported both NATO and the EC/EU, based on the belief that stability in Europe has engendered the growth of democracy, reliable military allies, and strong trading partners.

In the second session of the 110th Congress, Members will likely exhibit an interest in NATO's effort to develop more mobile combat forces, enhance the alliance's role in Afghanistan, examine the appropriateness of a possible missile defense system for Europe, and enlargement of the alliance. As in the previous several years, the evolution of the NATO-EU relationship is also likely to attract congressional attention.

Evolution of NATO and the EC/EU after the collapse of the Soviet Union in 1991 has brought with it some friction between the United States and several of its allies over the security responsibilities of the two organizations. These differences center around threat assessment, defense institutions, and military capabilities.

European NATO allies that were also members of the EC/EU have sought from 1990 to build a security apparatus able to respond to developments believed to threaten specifically the interests of Europe. In 1990, after Iraq's invasion of Kuwait, some European governments — led by France — concluded that they lacked the military capabilities to respond beyond the North Atlantic Treaty area to distant threats. In consultation with the United States, they sought to establish the European Security and Defense Identity (ESDI) within NATO, in which they would consult among themselves and with NATO over response to a threat. Both the first Bush Administration and the Clinton Administration asked that ESDI not duplicate NATO structures, such as headquarters and a planning staff, but rather "borrow" NATO structures for planning and carrying out operations. Initial reluctance of the Clinton Administration to involve the United States in the emerging conflicts accompanying the break up of Yugoslavia led some allies to redouble their efforts to enhance their political consultation, unity, and military capabilities. They saw a threat in the form of large refugee flows, autocratic regimes, and the spread of nationalist ideas emanating from the conflict-ridden Balkans.

In 1994-1996, NATO endorsed steps to build an ESDI that was "separable but not separate" from NATO to give the European allies the ability to act in crises where NATO as a whole was not engaged.

In 1998-1999, the EU largely adopted ESDI as its own and began to transform it into a European Security and Defense Policy (ESDP), given greater definition by more detailed arrangements for the Europeans to borrow NATO assets for the "Petersberg tasks" (crisis management, peace operations, search and rescue, and humanitarian assistance). Britain, in a major policy reversal, joined France in moving forward discussions of these new arrangements within the EU. ESDP's principal differences with ESDI were in the effort to secure more independence from NATO tutelage and guidance in the event that the United States expressed reluctance to become involved in a crisis, a renewed discussion of more carefully outlined EU decision-making structures, and consideration of forces appropriate for potential crises. The Kosovo conflict of 1999 further spurred this effort, when most EU members of NATO conceded that they still lacked adequately mobile and sustainable forces for crisis management. All EU members express a wish to see a strong U.S.-led NATO. However, there are disputes with the United States over how or whether to involve international institutions, such as the UN, in international crises. There are also disagreements over the weight given to political versus military instruments in resolving these crises. These disputes have fueled European desires to develop a more independent ESDP.[1] The United States maintains that ESDP must be closely tied to NATO, given the large number of states that belong to both NATO and the EU (see membership chart in Appendix) and limited European defense resources.

Congress is actively engaged in the evolving NATO-EU relationship. While Congress has supported the greater political integration that marked the European Community's evolution into the European Union, many Members have called for improved European military capabilities to share the security burden, and to ensure that NATO's post-Cold War mission embraces combating terrorism and WMD proliferation. In 1998 and again in 2003 the Senate approved the addition of new members to the alliance as a means to build European stability through securing democratic governments and adding states that shared concerns over emerging threats.

During the 1998 NATO enlargement debate, Senator Jon Kyl offered an amendment to the instrument of ratification that described terrorism and the proliferation of weapons of mass destruction (WMD) as new threats that NATO must counter. The Kyl amendment called on the European allies to develop capabilities "to project power... and provide a basis for ad hoc coalitions of willing partners...." Member states should "possess national military capabilities to rapidly deploy forces over long distances, sustain operations for extended periods of time, and operate jointly with the United States in high intensity conflict."[2] The amendment passed by a wide margin. Its essence was apparent in NATO's Strategic Concept, the alliance's

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[1] For a detailed examination of ESDI and ESDP up to 2000, see CRS Report RL30538, *European Security: The Debate in NATO and the European Union*, by Karen Donfried and Paul Gallis.

[2] Executive Amendment no. 2310, *Congressional Record*, April 27, 1998, p. S3657.

strategic guidelines, adopted at the Washington summit in April 1999, and in subsequent NATO agreements to redefine the alliance's mission and to improve capabilities.

The issues raised in the 1990s debate over European security remain the essence of the debate today. What are the missions in security affairs of NATO and the European Union? What is the proper weight to be given to political and military instruments in defending Europe and the United States from terrorism and proliferation? What types of military forces are necessary for NATO's role in collective defense, and for the EU's role in crisis management? Are NATO and EU decision-making structures and procedures appropriate and compatible to ensure that there is an adequate and timely response to emerging threats? What should be the role of other international institutions in responding to these threats? Issues raised by these questions are the subject of this report.

NATO's Mission and Response to Threats

There is a consensus in NATO that terrorism and the proliferation of weapons of mass destruction are the principal threats facing the allies today. NATO's 1999 *Strategic Concept* states that the allied "defense posture must have the capability to address appropriately and effectively the risks" associated with the proliferation of nuclear, biological, and chemical weapons. The document also describes terrorism as a threat, but indicates that political and diplomatic means should be the main instruments against both terrorism and proliferation. The attacks of September 11, 2001, on the United States led to a refinement of the allied posture on these threats.

In a May 2002 communiqué, NATO agreed that the allies must "be able to field forces that can move quickly to wherever they are needed, sustain operations over distance and time, and achieve their objectives." The communiqué marks the moment that NATO decided to assume responsibilities around the globe should an ally be threatened.

In November 2002, at the Prague summit, the allies made a commitment to build the capabilities necessary to go out of area. They agreed to establish a NATO Response Force (NRF) of 20,000 troops for rapid "insertion" into a theater of operations. The NRF consists of highly trained combat units from member states, and could be used to fight terrorism. In addition, the allies agreed to a scaled-down list of new capabilities, called the Prague Capabilities Commitment (PCC), that declining European defense budgets might be able to sustain. Under the PCC, some allies have agreed to develop consortia to fund jointly such systems as strategic airlift and aerial refueling, meant to provide mobility for combat operations distant from Europe, or specialized "niche" capabilities, such as special forces or units to detect chemical or biological agents.[3]

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[3] For a detailed analysis of the PCC, see CRS Report RS21659, *NATO's Prague Capabilities Commitment*, by Carl Ek.

U.S.-European Differences over Threat Response

Despite the transatlantic agreement on the new common threats, the NRF, and the PCC, there are significant differences between the United States and its allies over appropriate responses. Most allied governments contend that the Administration places excessive emphasis on military over political means to counter a threat, and that the allies have other domestic budget priorities (such as pension plans) that compete with allocations for defense.

The allies' response to the Bush Administration's doctrine of "pre-emptive attack" in the face of an imminent threat captures elements of the transatlantic debate over response to the threat. The Administration's *National Security Strategy* (2002) notes that the United States reserves the right to take military action "to forestall or prevent... hostile acts" by an adversary. While most allies would concede such a right, some view the doctrine as an example of U.S. unilateralism at the moment of U.S. global military pre-eminence. In general, they believe that military action must be undertaken within a multilateral framework.

The allied debate over pre-emptive attack was affected by the U.S. decision to terminate UN weapons inspections and to go to war against Iraq in March 2003, a conflict Administration officials indicate was undertaken to prevent the Hussein regime from developing and using weapons of mass destruction against the United States and other countries. The initial refusal by France, Germany, and Belgium to approve NATO military assistance to Turkey in February 2003 in anticipation of a possible attack by Iraq sharply divided the alliance. Most allies said then, and maintain now, that a UN resolution is a requisite step, whenever possible, for NATO military action. The inability of the Bush Administration to locate WMD in Iraq led to renewed insistence among the European allies that their opposition was correct and that a UN imprimatur should be sought for NATO operations.[4]

Allied insistence on involvement of international institutions in "legitimizing" conflict has its origins in the aftermath of the 20th century's two world wars. Europeans remain wary of arguments justifying the crossing of borders and resorting to military action. Establishment of the United Nations in 1946, under U.S. leadership, was one means to ensure that international diplomatic and public opinion could be brought to bear to enhance understanding of an impending danger and how to respond to it. The North Atlantic Treaty's (1949) reliance on the consensus method of decision-making was another.

The allied debate over pre-emptive attack, out-of-area engagement, and "legitimization" of military operations was brought to a head by the Bush Administration's frustration with cumbersome alliance decision-making procedures. The Administration believes that NATO military actions should mostly be conducted by "coalitions of the willing." In this view, the allies, of which only a small number

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[4] Interviews with officials from allied states, 2003-2006; Jacques Chirac, "Nul ne peut agir seul," *Le Monde*, September 24, 2003 (speech before the U.N. General Assembly); and General Henri Bentegeat, "Le Problème des armes de destruction massive peut être résolu par des voies diplomatiques," *Le Monde*, December 21-22, 2003.

have deployable forces capable of high-intensity conflict, should use coalitions of member states that agree upon a threat and have the means to counter it. Most European allies believe that "coalitions of the willing" undermine the solidarity of the alliance and the consensus decision-making principle. Their support for the principle of consensus centers upon a desire to maintain political solidarity for controversial measures. In this view, the consent of 26 sovereign governments, each taking an independent decision to work with other governments, is a formidable expression of solidarity and in itself provides a measure of legitimization for an operation. Some allies believe that this view was given weight, for example, in NATO's decision to go to war against Serbia in 1999 when Russian resistance prevented passage of a UN Security Council resolution approving intervention on behalf of Kosovo.[5]

The Administration proposed a controversial ground-based missile defense system, to be placed in Poland and the Czech Republic, to defend against a possible missile attack by Iran. Questions immediately arose in Congress and Europe about the feasibility of the proposed system, as well as the nature of the perceived threat.

Some allies believe that NATO should develop a new Strategic Concept, given the ongoing debate over the proper balance between the use of military and political tools to bring global stability. Some allies wish to see a brief document that clearly states NATO's purpose and its role in regional and global stabilization. The allies are likely to discuss the possibility of drafting a new Strategic Concept at NATO's Bucharest summit in April 2008.

Capabilities and "Usability"

Most allies lack mobile forces that can be sustained distant from the European theater.[6] In October 2003, former NATO Secretary General George Robertson said that "out of the 1.4 million soldiers under arms, the 18 non-U.S. allies have 55,000 deployed on multinational operations..., yet they feel overstretched. If operations such as the International Security Assistance Force in Afghanistan are to succeed, we must generate more usable soldiers and have the political will to deploy more of them in multinational operations." Former NATO Supreme Allied Commander (SACEUR) General James Jones told Congress in March 2004 that only 3%-4% of European forces were "expeditionarily deployable."[7] The Bush Administration proposed both the NATO Response Force (NRF) and the Prague Capabilities Commitment in 2002 to help remedy this problem. The purpose of the initiatives has been to create forces that integrate, for example, aerial refuelers and airlift capacities to allow troops and equipment to be moved to a conflict. The allies believe that shared funding of some of these capabilities will moderate the costs to individual governments.

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[5] See CRS Report RS21510, *NATO's Decision-Making Procedure*, by Paul Gallis.

[6] The United States, France, and Britain are the notable exceptions.

[7] George Robertson, "NATO's Transformation," speech in Geneva October 13, 2003, p. 1-2; "Afghanistan Stabilization and Reconstruction," 108th Congress, 2nd sess., Senate Foreign Relations Committee hearing. General Jones' testimony. January 27, 2004.

At NATO's Riga summit in November 2006, the allies declared the NRF fully operational, perhaps prematurely. The NRF was to have 20,000 troops, on rotation, in high-readiness status. It can be packaged to respond to a range of crises, from humanitarian assistance after an earthquake, for example, to an insertion force for high-intensity combat. The NRF is to reach its destination within 7-30 days and sustain itself for a period of time.

However, the alliance has had difficulty in filling out the NRF and planning for three rotations. Some allies are overstretched in security operations around the globe. Others express concern about the potentially high costs of participating in an ongoing NRF mission, and are asking that the allies consider a more equitable plan for sharing such costs; in the meantime, some governments are reluctant to contribute forces to the NRF. There is now a debate about the "evolution" of the role of the NRF. The United States and several other allies believe that the NRF should be used in current operations, such as in Afghanistan. Others, such as France and Germany, wish to preserve the original concept of an NRF by keeping it available as a quick-insertion force in a crisis, and as an apparatus to spur member governments to continue the transformation of their militaries to more mobile forces.[8]

General Jones pressed the idea that more NATO assets be funded jointly to ensure availability of needed equipment and forces. Today, NATO for the most part follows the concept of "costs lie where they fall," meaning that governments pay the costs for forces they send to an operation, such as in Kosovo in 1999. Such a practice translates into the larger countries with more military capabilities and political will bearing disproportionate costs in providing security for all. Otherwise, the concern is that NATO risks failing to develop appropriate forces, such as the NRF, as governments decline to contribute troops because they might be used for expensive operations.[9] At the Riga summit, sixteen allies announced that they were pooling resources to purchase four Boeing C-17s in 2007, a step that will enhance NATO's capability to airlift troops and equipment to distant theaters.

The Prague Capabilities Commitment (PCC) is a slimmed-down version of an earlier capabilities initiative and has eight capability goals targeting the allies' principal deficiencies. The list of PCC capabilities includes strategic lift (air and sea), aerial refueling, precision-guided munitions, secure communications, ground surveillance systems, and special forces. At the Istanbul summit in June 2004, NATO announced that a Chemical/Biological, Radiological, and nuclear defense battalion had become fully operational, fulfilling one of the capability goals. There has been some progress in purchase or leasing of sea lift, and the acquisition of precision-guided munitions is on schedule. While some U.S. officials say that the

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[8] "La force de réaction de l'OTAN ne réunit plus suffisament de contributions militaires," *Le Monde*, September 23-24, 2007; interviews with U.S. and European officials, September 2007-January 2008.

[9] "Top General Seeks Radical Overhaul of NATO's Finances," *Financial Times*, February 15, 2005, p. 7.

PCC is on schedule, others say that there remain serious shortfalls in aerial refuelers and air lift, where PCC goals are unlikely to be met in the foreseeable future.[10]

The allies designed the capabilities list to form an integrated set of systems; because allies are not acquiring some systems, other systems' effectiveness will be diminished. For example, improved lift capacity is necessary if equipment, munitions, and forces are to reach a theater of operations in a timely fashion. Some governments, such as the German government, have pleaded that competing budget necessities, such as pension programs, are forestalling plans to modernize their militaries. The German parliament has also reduced and capped defense expenditures for the next several years.[11]

At the 2006 NATO Riga summit, the allies issued a document called the "Comprehensive Political Guidance," signed by the members' 26 heads of state. In the coming years, the leaders called on all allies to develop forces of which 40% would be structured for deployment, and 8% for sustained operations at any given time.[12]

Some analysts worry that NATO and the EU might "compete" for the use of more mobile, high-readiness forces. The EU is developing its own rapid reaction forces for crisis management. Some of these units are "double hatted" for use either by the EU or by NATO. The EU also has embarked on an initiative to enhance its military capabilities and equipment procurement, including, for example, greater strategic lift and weapons for suppression of enemy air defenses. The issue of which organization, NATO or the EU, could use national forces if there were simultaneous crises has not been resolved.

Some NATO officials believe that the EU places more restrictions on use of its forces than does NATO and that these restrictions are reflected in the training of those forces. In this view, NATO and the EU train their forces to different standards, and EU forces have a different "language" of command and operations; these hurdles must be cleared for forces trained for the EU to be useful to NATO.[13]

"National Caveats"

Former SACEUR General Jones was critical of NATO governments that commit forces to an allied mission, then impose restrictions on tasks those forces may undertake. Such "national caveats" have troubled operations in the Balkans, for example. In March 2004, when Albanians rioted against Serbs in Kosovo (see below), German troops refused orders to join other elements of KFOR in crowd control; only 6,000 of KFOR's 18,000 troops were eligible to use force against the

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[10] Interviews of U.S. officials, 2005-2006.

[11] "Defense Policy Guidelines," German Ministry of Defense, May 21, 2003; and "Defense Overhaul Sets New Focus for Germany," *Financial Times*, January 14, 2004, p. 2.

[12] *Comprehensive Political Guidance*, Riga summit, November 29, 2006, p. 4.

[13] Discussions with NATO officials, 2004-2006.

rioting crowds. NATO is attempting to overcome this problem by providing more riot-control training for troops designated for assignment in Kosovo.

In NATO's mission in Afghanistan, a number of governments have placed caveats on their forces. Some, for example, lack appropriate equipment and prohibit their aircraft from flying at night. Others restrict the movement and use of their forces. Germany, for example, largely restricts the use of its forces to northern Afghanistan, a relatively stable part of the country. Only in an urgent situation may they go to southern Afghanistan, an area increasingly unstable and the location of considerable fighting by U.S., British, Canadian, and Dutch forces against the Taliban. The allies lifted some, but not all, caveats in Afghanistan at the Riga summit.

At the same time, national caveats are an expression of sovereignty by member governments and on occasion may be the price that must be paid to secure the participation of a government in a NATO mission. "National caveats" is a political term and not an official NATO description of restrictions on forces. The United States has taken the lead in criticizing governments that place caveats on their forces. However, some U.S. military officials say that some allies might also contend that the United States has its own caveats but that Washington chooses to call them by another name. For example, the United States, as do other governments, places restrictions on the range of actions that its forces may undertake in the Balkans and Afghanistan, but describes these restrictions as tactical rules of engagement.[14]

In general, however, U.S. military officials oppose national caveats because they complicate the force-planning process. With caveats in place, force planners must cajole member states to supply troops who have the authority and skills to accomplish a mission. These officials add that knowledgeable commanders on the ground know what forces under their command may or may not do and implement a mission accordingly.

Multinational Deployments

Kosovo. The NATO operation KFOR (Kosovo Force) has been in place since 1999. Under a U.N. imprimatur, KFOR is charge with maintaining a secure environment, supporting an international civilian administration, and controlling ethnic violence. Under U.N. auspices, a study was drafted that recommended "supervised independence," guided by the EU, a notion strongly opposed by Serbia and Russia, the latter having a potential veto of the plan in the Security Council. The United States and European governments may proceed to recognize Kosovo under the plan even if Russia does not approve it. NATO has confirmed that its forces, now numbering 16,500, will stay in place to ensure Kosovo's stability and viability. Kosovo may become a greater testing ground for NATO-EU cooperation.

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[14] Interviews with U.S. and European officials, 2005-2006.

Afghanistan. At the Riga summit, the allies stated that "contributing to peace and stability in Afghanistan is NATO's key priority,"[15] and that priority is likely to be reaffirmed at the Bucharest summit. There are two military operations in Afghanistan. NATO leads the International Security Assistance Force (ISAF); its mission is to stabilize and rebuild Afghanistan. The United States leads a separate, non-NATO mission, called Operation Enduring Freedom (OEF); its mission is to eliminate Taliban and Al Qaeda remnants, primarily active in the eastern part of the country. NATO governments have decided to bring these two missions closer together, although their commands and mission will remain separate.

In 2006, ISAF brought all of Afghanistan under its control, under a U.N. resolution. ISAF now has approximately 41,000 troops; the forces are overwhelmingly from NATO's member states, above all from the United States, Germany, Canada, Britain, France, and the Netherlands. Increasingly, partner countries such as Australia and New Zealand, recognizing that stability in south Asia is in their interests, have been contributing troops. This development reflects an effort led by the United States to make NATO a global security organization, under the logic that terrorism and the proliferation of WMD is a threat to all societies.

Since the spring of 2006, there has been a resurgence of the Taliban, particularly in the southern and eastern parts of the country. They are exploiting the weak governance of the Karzai government in Kabul, with which there is growing discontent by the population.[16] Warlords are also re-exerting authority in parts of the country. ISAF has established Provincial Reconstruction Teams (PRTs), composed of soldiers and civil affairs officers, in parts of Afghanistan. The objective of the PRTs is to extend the authority of the central government, provide security, and undertake projects (such as infrastructure development) that would boost the Afghan economy. This effort has met with only mixed success, in part because allied governments have been slow to sponsor PRTs and to provide troops for them, in part because some allies lack deployable, sustainable forces. A key element lacking in some PRTs is quick-response combat and medical units that could assist PRTs that find themselves in danger.

The allies are debating among themselves the next steps to stabilize Afghanistan. Some allies believe that NATO relies too heavily on combat power to stabilize the country, and that economic and political reconstruction must be given greater emphasis. The United States and several other allies respond that there can be no ongoing reconstruction without security. The United States, the Netherlands, Canada, and Britain bear the brunt of the fighting in the more unstable south and east. U.S. officials continue to cajole some allies to send more forces, or to allow their forces to move from the more stable north to the unstable south and east.

The allies are struggling to combat Afghanistan's growing poppy crop, an insidious institution that feeds corruption and violence in the country. Afghanistan supplies over 90% of the world's opium, which accounts for an estimated 40% to

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[15] *Summit Declaration*, Riga, November 29, 2006, p. 1.

[16] CRS Report RL30588, *Afghanistan: Post-war Governance, Security, and U.S. Policy*, by Kenneth Katzman.

60% of the country's GDP. The crop therefore is a major factor in the economic life and stability of the country. The United States and the allies are debating means to eliminate opium production. There is an effort to develop alternative crops, a program that could take years to come to fruition. The Bush Administration has proposed an aerial spraying program to reduce the poppy crop, which both the Karzai government and the allies are resisting. The allies believe that the Afghan government must take the lead in reducing the poppy crop, as only Afghan leaders can have long-term credibility in the country. Afghanistan's weak institutions, including minimally functional military, police, and judicial systems, retard any significant progress, as does the virtual absence of a market infrastructure that could support a modernizing economy.[17]

Iraq. The U.S. invasion of Iraq and subsequent efforts to stabilize that country have caused great controversy in the alliance. From at least early 2002, some allies, particularly France and Germany, were contending that the principal threats to the allies lay elsewhere, in the nuclear programs of Iran and North Korea, and from instability in Pakistan and Afghanistan. They contended that Iraq could be contained through sanctions and, after the fall of 2002, U.N. WMD inspections.[18]

Transatlantic differences over Iraq touched off a bitter dispute in NATO in February 2003, shortly before the war, when France, Germany, and Belgium blocked initial U.S. efforts to provide NATO defensive assistance to Turkey. They argued that such assistance would be tantamount to acknowledgment that war was necessary and imminent at a time when U.N. inspections were still underway. The Iraq conflict and ensuing failure to locate WMD sharpened a debate among the allies over an appropriate NATO role in Iraq, and Iraq's effect on allied interests.

The Administration contends that stabilization of Iraq is in the interest of all allies. The insurgency and general disorder in much of Iraq has opened the door to a terrorist foothold in the country. Administration officials believe that anchoring democratic institutions in Iraq will have a positive, reverberative effect on Middle Eastern governments that have authoritarian traditions. The Bush Administration has gained a small measure of NATO involvement in Iraq. NATO has agreed to a training mission for Iraqi security forces.

Many allies, led by France and Germany, recognize that an unstable Iraq is an unsettling force in the already volatile Middle East. However, they believe that the Arab-Israeli conflict must first be settled before there can be stability in the region, and that U.S. policy favors Israel excessively and is thus an impediment to peace.[19] They are skeptical that an outside power like the United States can develop democracy in Iraq, a country that has sectarian and tribal divisions and no rooted legacy of representative government.

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[17] CRS Report RL32686, *Afghanistan: Narcotics and U.S. Policy*, by Chris Blanchard.

[18] "The Future of Transatlantic Security: New Challenges. A European-American Discussion," Occasional Paper, the American Council on Germany, based on a conference of U.S., French, German, and British policymakers in Washington, December 5-7, 2002.

[19] Interviews with European officials; CRS Report RL31956, *European Views and Policies toward the Middle East*, by Kristin Archick.

Most allies have withdrawn their troops from the U.S.-led Multinational Force in Iraq.

Enlargement

On March 29, 2004, seven countries (Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia) became members of NATO upon submission of their instruments of ratification in a ceremony in Washington, D.C.

Albania, Croatia, and Macedonia are candidates for the next round of NATO enlargement. The alliance may invite one or more of these countries to join NATO at the 2008 summit in Bucharest. Some observers believe that Macedonia has made the most progress; its armed services are increasingly professional; corruption is being reduced; a market economy is taking hold; and general governance has improved. At the same time, Macedonia is a poor country with minimal military capability. Croatia has a more robust economy, but has struggled to find a secure majority of its population in favor of NATO membership. Albania remains a poor country with significant problems of governance and military capability.[20]

The Bush Administration has wished to place Georgia on a faster track to membership, a step resisted by most allies. Georgia has two border and ethnic conflicts, sometimes aggressively fueled by Russia, that have given the Tblisi government pronounced strategic problems. Moreover, some European governments do not wish to antagonize Russia by putting Georgia too rapidly on the road to membership. The Tblisi government has also shown signs of autocratic practices. The Administration wishes to put Georgia into the Membership Action Plan, a step that would make the country a candidate state, at the Bucharest summit. Some allies resist this idea, and wish to proceed slowly.[21]

Ukraine is likely on a slower track for membership than Georgia. Ukraine has a large Russian population and great economic potential that Russia does not wish to see wrested from its sphere; Russian elements of the population also generally oppose NATO membership.

During the first session of the 110th Congress, Members debated the possible benefits of enlargement. Representative Tanner and Senator Lugar sponsored legislation that endorsed the concept of enlargement and welcomed consideration of governments qualified for membership. The bill was signed into law in April 2007 as the NATO Freedom Consolidation Act of 2007 (P.L. 110-17). The law authorizes security assistance for the three candidate states, and for Georgia and Ukraine. During the second session, hearings on the candidacies of Albania, Croatia, and Macedonia in both the House and Senate are likely.

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[20] Interviews of NATO officials, December 2006.

[21] Interviews of officials from NATO governments; "La Géorgie intensifie ses efforts pour intégrer l"OTAN," *Le Monde*, October 21-22, 2007, p. 5.

Missile Defense

In 2007 the Bush Administration proposed to the Polish and Czech governments that elements of a U.S. ground-based missile defense system be placed on their soil for defense of Europe against a possible Iranian missile attack. The proposal was immediately controversial.

Some NATO officials and officials in many NATO governments asked why the proposal had not first been vetted through the alliance; they said privately that the Administration was attempting to use two relatively compliant governments to further U.S. initiatives against Iran, which is pursuing an illegal uranium enrichment program, possibly to build nuclear weapons one day. The Russian government contended that it had not been consulted; in fact, the Administration had raised the idea of a missile defense system several times with Moscow in previous years. The Russians contended that the system could be used against Russia's own missiles, a step that could weaken the concept of deterrence.[22]

The system proposed by the Administration would place 10 missile interceptors in Poland and an associated radar system in the Czech Republic, to be in place by 2013.[23] The system would cost an estimated $4.04 billion. Congress raised questions about the timing and feasibility of the system. Some Members believe that more mobile systems would be appropriate, and that the system proposed by the Administration would not cover all allied territory. The 110th Congress blocked funding for site development in FY2008, but will allow the Pentagon to request reprogramming if an agreement for the system is reached with both Poland and the Czech Republic. Warsaw and Prague have raised questions about the proposal. Both governments reportedly believe that the system might make their countries a target in the event of a conflict. Poland is asking the United States to pay for an upgraded air defense system. Public opinion in both countries appears to oppose the system.[24]

U.S. Leadership under Challenge

The Bush Administration's effort to shift NATO's mission to combating terrorism and proliferation, with a strategic center of gravity in the Middle East, has led to uneasiness and a series of challenges by some allies. Although all allies view terrorism and proliferation as serious threats, and all have embraced the need for more "expeditionary" forces, several key allies nonetheless have questions about the Administration's leadership and its commitment to NATO.

International political considerations play an important role in some allies' questioning of U.S. leadership. Most allies are members of the European Union.

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[22] Interviews with U.S., European, and Russian officials, May 2007- January 2008.

[23] CRS Report RL34051, *Long-range Missile Defense in Europe*, by Carl Ek and Steven Hildreth.

[24] Interviews with Polish officials; "New team in Poland cool to U.S. shield," *Washington Post*, January 19, 2008, p. A18.

They place great importance on international institutions as a means of solving transnational problems, from economic dislocation to narcotics trafficking to prevention of conflict. The legacy of two world wars in Europe remains a central factor in shaping governments' policies; prevention of illegitimate violations of sovereignty was a principal reason for their support of the establishment of the UN, the EU, and NATO. This view lies behind the general European opposition to the Bush Administration's doctrine of "pre-emptive action." Some European observers today believe that there is an "absence of anything that could be called an international security architecture," in part because the United States, in this view, avoids reliance on the UN. U.S. global leadership was once "embedded in the international rule of law that constrained the powerful as well as the weak." However, in this view, the U.S. resort to force in Iraq, without clear support from the UN, has made the United States "a revolutionary hyperpower."[25]

Some U.S. officials counter that there is good cooperation with the allies on the use of law enforcement to combat terrorism,[26] but that there are moments when the danger of impending catastrophic developments or an imminent attack justifies the use of force without "legitimization" through the often time-consuming process of obtaining a UN resolution. The Clinton Administration (and ultimately all the allies) reached this conclusion when it decided that NATO must act to prevent ethnic cleansing in Kosovo without explicit U.N. authorization in light of a threatened Russian veto, and the Bush Administration reached this conclusion when it went to war in Iraq in the belief that the Hussein regime possessed a WMD arsenal.

As noted above, some allies contend that the United States is seeking to use NATO as a "toolbox." They object to former Defense Secretary Rumsfeld's repeated advocacy of "coalitions of the willing" to fight in conflicts as a means of using allied resources and supportive NATO governments to endorse U.S. interventions on foreign soil. They argue that the Administration's contention that "the mission drives the coalition" undermines allied solidarity; such a doctrine weakens the long-held view that all member states must believe that they have a stake in allied security operations.

Some allies believe that the United States relies too heavily upon military power to resolve issues that may have a political solution. They place the issue of proliferation in this realm, and cite the long-term economic pressure of sanctions against Libya, followed by U.S. and British negotiations with Tripoli, as evidence that a patient policy based on political initiatives can be effective.[27]

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[25] Philip Stevens, "A Fractured World Remains a Very Dangerous Place," *Financial Times*, December 19, 2003, p. 15.

[26] See CRS Report RL31509, *Europe and Counterterrorism: Strengthening Police and Judicial Cooperation*, by Kristin Archick; and CRS Report RL31612, *European Counterterrorist Efforts since September 11*, coordinated by Paul Gallis, and prepared for then Rep. Doug Bereuter and the House Permanent Select Committee on Intelligence.

[27] Interviews; Paul Gallis, report on the French-American Foundation's symposium on *The Military Role in Countering Terrorism at Home and Abroad: U.S. and French Approaches*, November 20-22, 2003, Paris, France.

At the same time, all allies underscore the importance of their strategic relationship with the United States. While the European Union, including its nascent defense entities, is of great value to them, they nonetheless contend that the transatlantic partnership remains vital to countering global threats.

A New Security Actor: The European Union

For decades, there has been discussion within the EU about creating a common security and defense policy. Previous EU efforts to forge a defense arm foundered on member states' national sovereignty concerns and fears that an EU defense capability would undermine NATO and the transatlantic relationship. However, U.S. hesitancy in the early 1990s to intervene in the Balkan conflicts, and former UK Prime Minister Tony Blair's desire to be a leader in Europe, prompted him in December 1998 to reverse Britain's long-standing opposition to an EU defense arm. Blair joined then-French President Jacques Chirac in pressing the EU to develop a defense identity outside of NATO. This new British engagement, along with deficiencies in European defense capabilities exposed by NATO's 1999 Kosovo air campaign, gave momentum to the EU's European Security and Defense Policy (ESDP).[28]

EU leaders hope ESDP will provide a military backbone for the Union's evolving Common Foreign and Security Policy (CFSP), a project aimed at furthering EU political integration and boosting the EU's weight in world affairs. They also hope that ESDP will give EU member states more options for dealing with future crises. The EU stresses that ESDP is not aimed at usurping NATO's collective defense role nor at weakening the transatlantic alliance.

Most EU members, led by the UK, insist that ESDP be tied to NATO — as do U.S. policymakers — and that EU efforts to build more robust defense capabilities should reinforce those of the alliance. At the NATO Washington Summit in April 1999, NATO welcomed the EU's renewed commitment to strengthen its defense capabilities, and acknowledged the EU's resolve to develop an autonomous decision-making capacity for military actions "where the Alliance as a whole is not engaged."[29] Nevertheless, France and some other countries have traditionally favored a more independent EU defense arm. Many French officials have long argued that the EU should seek to counterbalance the United States on the international stage and viewed ESDP as a vehicle for enhancing the EU's political credibility. More recently, however, new French President Nicolas Sarkozy has taken a more pragmatic approach on European security issues. Although a strong supporter of ESDP, Sarkozy also maintains that European security must have a U.S. component, as embodied in NATO.

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[28] For more information on Blair's decision to reverse the UK's traditional opposition to ESDP, see CRS Report RS20356, *European Security and Defense Policy: The British Dimension*, by Karen Donfried.

[29] See Article 9 of the NATO Washington Summit Communiqué, April 24, 1999, online at [http://www.nato.int/docu/pr/1999/p99-064e.htm].

U.S. support for ESDP and for the use of NATO assets in EU-led operations has been conditioned since 1998 on three "redlines," known as the "three D's:"

- No decoupling from NATO. ESDP must complement NATO and not threaten the indivisibility of European and North American security.
- No duplication of NATO command structures or alliance-wide resources.
- No discrimination against European NATO countries that are not members of the EU. The non-EU NATO members were concerned about being excluded from formulating and participating in the EU's ESDP, especially if they were going to be asked to approve "lending" NATO assets to the EU.

ESDP's Progress to Date

At its December 1999 Helsinki summit, the EU announced its "determination to develop an autonomous capacity to take decisions and, where NATO as a whole is not engaged, to launch and conduct EU-led military operations in response to international crises." At Helsinki, the EU decided to establish an institutional decision-making framework for ESDP and a 60,000-strong "Headline Goal" rapid reaction force to be fully operational by 2003. This force would be deployable within 60 days for at least a year and capable of undertaking the full range of "Petersberg tasks" (humanitarian assistance, search and rescue, peacekeeping, and peace enforcement), but it would not be a standing "EU army." Rather, troops and assets at appropriate readiness levels would be identified from existing national forces for use by the EU. In addition, EU leaders at Helsinki welcomed efforts to restructure European defense industries, which they viewed as key to ensuring a European industrial and technological base strong enough to support ESDP military requirements.

The EU has also sought to bolster its civilian capacities for crisis management in the context of ESDP. In June 2000, the EU decided to establish a 5,000-strong civilian police force, and in June 2001, the EU set targets for developing deployable teams of experts in the rule of law, civilian administration, and civilian protection. In December 2004, EU leaders reached agreement on a Civilian Headline Goal for 2008, which aims to further improve the EU's civilian crisis management capabilities by enabling the EU to respond more rapidly to emerging crises.

New Institutions and NATO-EU Links. On the institutional side, the EU has created three new defense decision-making bodies to help direct and implement ESDP. These are: the Political and Security Committee (composed of senior national representatives); the Military Committee (composed of member states' Chiefs of Defense or their representatives in Brussels); and the Military Staff (consisting of about 130 military experts seconded from member states).

The EU has also established cooperation mechanisms with NATO, intended to enable the EU to use NATO assets and meet U.S. concerns about ESDP. These include regular NATO-EU meetings at ambassadorial and ministerial level, as well as regular meetings between the EU and non-EU European NATO members. This

framework allows for consultations to be intensified in the event of a crisis, and permits non-EU NATO members to contribute to EU-led operations. The EU also agreed to establish ad hoc "committees of contributors" for EU-led missions to give non-EU participants a role in operational decision-making.

The NATO-EU link was formalized in December 2002, which paved the way for the implementation in March 2003 of the "Berlin Plus" arrangement. "Berlin Plus" allows the EU to borrow Alliance assets and capabilities for EU-led operations and thereby aims to prevent a needless duplication of NATO structures and a wasteful expenditure of scarce European defense funds. "Berlin Plus" gives the EU "assured access" to NATO operational planning capabilities and "presumed access" to NATO common assets for EU-led operations "in which the Alliance as a whole is not engaged."[30]

In December 2003, NATO and the EU reached an agreement on enhancing the EU's military planning capabilities and NATO-EU links. It entails:

- Establishing an EU planning cell at NATO headquarters (SHAPE) to help coordinate "Berlin Plus" missions, or those EU missions conducted using NATO assets.
- Adding a new, small cell with the capacity for operational planning to the existing EU Military Staff — which currently provides early warning and strategic planning — to conduct possible EU missions without recourse to NATO assets.
- Inviting NATO to station liaison officers at the EU Military Staff to help ensure transparency and close coordination between NATO and the EU.

This NATO-EU agreement was controversial for some NATO advocates and U.S. officials, who worried that the small EU planning cell could grow over time into a larger staff and ultimately rival NATO structures. Washington ultimately approved the deal given that it considerably scaled back earlier proposals for a separate European military headquarters and planning staff. UK officials argued that if Washington or London blocked the initiative, the French and German governments in power at the time would likely have gone ahead with some sort of European headquarters outside of the EU structure, which would have been even more objectionable to NATO interests. British officials maintain that the new EU cell will "not be a standing headquarters" and that national headquarters will still remain the "main option" for running missions without NATO assets.[31]

Nevertheless, NATO-EU relations remain somewhat strained. More formal

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[30] "Berlin Plus" was originally outlined at the 1999 NATO summit in Washington, D.C. See Article 10 of the Washington Summit Communiqué, April 24, 1999, available online at [http://www.nato.int/docu/pr/1999/p99-064e.htm].

[31] "Straw Defends Joint Euro Force," BBC News, November 29, 2003; Charles Grant, "Europe Can Sell Its Defence Plan to Washington," *Financial Times*, December 2, 2003; also see the text of the EU agreement, "European Defence: NATO/EU Consultations, Planning, and Operations," December 2003.

strategic discussions between NATO and the EU on issues such as terrorism or the Middle East have proven elusive due to the differences in membership in both organizations, the ongoing dispute over the divided island of Cyprus, and different U.S. and European views of NATO-EU relations. Turkey, a non-EU NATO member, has objected to Cyprus, which joined the EU in 2004, participating in NATO-EU ambassadorial meetings on the grounds that it is not a member of NATO's Partnership for Peace, and hence, does not have a security relationship with the alliance. As a result, discussions are limited to the joint NATO-EU operation in Bosnia (see below) and improving military capabilities.[32] EU members such as France, Belgium, and Greece say they object to dialogue on other global security challenges in such NATO-EU meetings because not all EU member states are represented. Disputes between Turkey and the EU have also stymied NATO-EU cooperation on the ground in operations in Afghanistan (see below).[33]

The EU's "Headline Goal" Force and Capability Challenges. Enhancing European military capabilities has been and remains a key challenge for the EU as it seeks to forge a credible ESDP. As noted above, the 1999 NATO war in Kosovo demonstrated serious deficiencies in European military assets and the widening technology gap with U.S. forces. European shortfalls in strategic airlift, precision-guided munitions, command and control systems, intelligence, aerial refueling, and suppression of enemy air defenses were among the most obvious. In setting out the parameters of the 60,000-strong "Headline Goal" rapid reaction force, EU leaders sought to establish goals that would require members to enhance force deployability and sustainability, and to reorient and ultimately increase defense spending to help fill equipment gaps. The most ambitious members envisioned the EU's rapid reaction force developing a combat capability equivalent, for example, to NATO's role in the Kosovo conflict.

In 2000 and 2001, the EU held two military capability commitment conferences to define national contributions to the rapid reaction force and address the capability shortfalls. Member states pledged in excess of 60,000 troops drawn from their existing national forces, as well as up to 400 combat aircraft and 100 naval vessels as support elements. In 2001, the EU also initiated a European Capability Action Plan (ECAP) to devise strategies for remedying the capability gaps. In May 2003, the EU declared that the rapid reaction force possesses "operational capability across the full range of Petersberg tasks," but recognized that the force would still be "limited and constrained by recognized shortfalls" in certain defense capabilities.[34] As a result, ESDP missions in the near to medium term will likely focus on lower-end Petersberg tasks rather than higher-end peace enforcement operations. EU officials maintain that enhancing European defense capabilities remains an ongoing, long-term project.

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[32] In addition to Cyprus, Malta is not a member of NATO's Partnership for Peace and has also been excluded from NATO-EU ambassadorial meetings.

[33] Daniel Keohane, "Unblocking EU-NATO Cooperation," Centre for European Reform Bulletin, June/July 2006.

[34] See the Conclusions from the EU's May 19-20, 2003, General Affairs and External Relations Council Meeting.

Many military analysts assert that overall levels of European defense spending are insufficient to fund all ESDP requirements. European leaders are reluctant to ask legislatures and publics for more money for defense given competing domestic priorities and tight budgets. In light of the dim prospects for increased defense spending in the near term, EU officials emphasize that they do not need to match U.S. defense capabilities exactly — which they view as increasingly impossible — and stress they can fill critical gaps by spending existing defense resources more wisely. EU leaders point out that rationalizing member states' respective defense efforts and promoting multinational projects to reduce internal operating costs have been key goals of ECAP. Some options under consideration include leasing commercial assets (primarily for air transport); sharing or pooling of national assets among several member states; "niche" specialization, in which one or more member state would assume responsibility for providing a particular capability; and more joint procurement projects.

In June 2004, EU leaders agreed to establish a European Defense Agency (EDA) devoted to improving European military capabilities and interoperability. A key focus of the EDA will be to help EU members stretch their scarce defense funds farther by increasing cooperation in the areas of weapons research, development, and procurement. In November 2005, EU defense ministers agreed on a voluntary "code of conduct" to encourage cross-border competition in the European defense equipment market. Traditionally, EU member states have tightly guarded their national defense markets; defense equipment contracts have been largely exempt on national security grounds from normal EU internal market rules that eliminate trade barriers. The EU hopes that more competition will lead to lower defense procurement costs, improved capabilities, and increase the competitiveness of the European defense market globally. The new code of conduct took effect in July 2006 for those countries that decided to take part.[35]

Critics, however, charge that promises to spend existing defense resources more wisely have not yet materialized in any substantial way. They doubt that EU member states will be willing to make the hard political choices that could ultimately produce more "bang for the euro" because these could infringe on national sovereignty. For example, they point out that "niche" specialization would require some member states to forego building certain national capabilities, while proposals to pool assets may require members to relinquish national controls.

Some question how effective the EDA will be in promoting harmonization of equipment purchases given that many member states remain wedded to fulfilling national requirements and may be reluctant to expose their own defense industries to competition from other European weapons producers. Critics point out that the new agreed code of conduct to liberalize the European defense markets will be voluntary and, therefore, unenforceable. Many expect that some European defense ministries will also be slow to move away from their trusted national suppliers. Skeptics also criticize European leaders' continued devotion to the increasingly

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[35] "EU Defense Agency Agreed after Last-minute Snag," Reuters, June 14, 2004; "EU Ministers Set to OK Arms Market Liberalization Plan," Dow Jones Newswire, November 21, 2005.

expensive but still non-existent Airbus's A400M military transport project, in which seven European allies are investing large portions of their procurement budgets. They argue that it would be cheaper and quicker for these countries to buy U.S.-built transporters such as the C-130 or C-17, but many European leaders resist this option because European defense industries create European jobs.[36]

EU "Battlegroups". At the June 2004 EU summit in Brussels, Belgium, EU leaders endorsed a new Headline Goal 2010 aimed at further developing European military capabilities. The Headline Goal 2010 is focused on improving the interoperability, deployability, and sustainability of member states' armed forces. A key element of the Headline Goal is the "battlegroups concept," which seeks to further enhance the EU's ability to respond rapidly to emerging crises and undertake the full spectrum of Petersberg tasks. Each battlegroup will consist of about 1,500 high-readiness troops capable of being deployed within 15 days, for up to four months, for either stand-alone missions or as a spearhead force to "prepare the ground" for a larger, follow-on peacekeeping operation. The conceptual model appears to be largely based on the French-led EU mission to the Congo in 2003 (see below), which paved the way for a U.N. peacekeeping force.

In November 2004, at the EU's third military capability commitment conference, EU officials announced plans for the creation of 13 battlegroups, which may be formed by one or more member states and may also include non-EU members. The EU established an initial operating capacity of being able to field one battlegroup at a time for 2005 and 2006. As of January 2007, the EU announced that the battlegroups were "fully operational," meaning that the EU now has the capacity to field two battlegroup operations nearly simultaneously. The EU has not specified a geographic area in which these battlegroups might operate, but most observers believe that trouble spots in Africa or the Balkans are the most probable theaters for the battlegroups.

Many European and American military experts view the EU's battlegroups as more sustainable and practical than the EU's 60,000-strong rapid reaction force. They hope that the emphasis on highly trained, rapidly deployable multinational formations indicate that the EU is growing more serious about enhancing its defense capabilities and seeking new ways to stretch existing defense resources farther. EU officials stress that the battlegroup concept is intended to complement rather than compete with the new NATO Response Force (NRF) and note that the EU and NATO have been discussing ways to ensure that the battlegroups and the NRF are mutually reinforcing. Some analysts predict that the NRF will likely undertake higher-intensity operations than the EU battlegroups in the near to medium term.[37]

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[36] The first A400Ms are not scheduled for delivery until 2009 at the earliest. Belgium, France, Germany, Luxembourg, Spain, Turkey, and the UK remain committed to the A400M, but Italy and Portugal withdrew amid program uncertainties and cost constraints.

[37] "Daniel Dombey and Eric Jansson, "The Mission Beginning Today in Bosnia Marks a New Phase in Peacekeeping, but the Union Has to Find a Way to Co-exist with NATO," *Financial Times*, December 2, 2004; also see the EU's "Declaration on European Military Capabilities," November 22, 2004.

ESDP Missions.[38] Despite the capability challenges still facing European militaries, the EU has sought to keep up momentum for ESDP. The EU has launched several civilian and military missions in the Balkans, an area long assumed by EU observers to be the most likely destination of any EU-led operation. In January 2003, the EU's civilian crisis management force took over U.N. police operations in Bosnia as the first-ever ESDP mission. With "Berlin Plus" arrangements finalized, the EU launched in March 2003 its first military mission, Operation Concordia, that replaced the small NATO peacekeeping mission in Macedonia. Operation Concordia was supported by NATO headquarters (SHAPE) in Mons, Belgium and NATO operational reserves already located in Macedonia.

In December 2004, the EU took over the NATO-led peacekeeping mission in Bosnia within the "Berlin Plus" framework. With an initial force strength of 6,500 troops, the EU-led Operation Althea was the largest ESDP military mission to date; in 2007, Althea was downsized to 2,500 troops. NATO retains a small headquarters presence in Sarajevo to assist with Bosnian defense reforms, counterterrorism efforts, and the apprehension of war criminals.[39] The EU is also planning to lead in the near future an international civilian presence in Kosovo, which is expected to declare independence from Serbia in early 2008.

The EU has also sought to play a role beyond the Balkans. From June to September 2003, the EU led an international peacekeeping force of 1,400 in the Democratic Republic of Congo that sought to stop rebel fighting and protect aid workers. The Congo mission was requested by the United Nations and headed by France in a "lead nation" capacity. This mission came as a surprise to many EU observers, NATO officials, and U.S. policymakers because it was geographically farther afield than they had thought the EU would venture, and because it was conducted without recourse to NATO assets. The Congo operation was planned by French military planners in national headquarters. Some NATO and U.S. officials were annoyed, asserting that the EU should have first formally asked NATO whether it wished to undertake the Congo operation. EU officials did consult with NATO about the mission, but maintain they were not obliged to ask NATO for its permission given that the EU was not requesting to use NATO assets.[40]

Over the last few years, the EU has deployed a number of small missions to the Congo to assist with police/security sector reforms and in support of the U.N. peacekeeping force. In June 2005, the EU and NATO agreed to coordinate efforts to airlift African Union peacekeepers to Sudan to help quell the ongoing violence in the Darfur region. In January 2008, the EU approved deploying a 3,700-strong peacekeeping force to Chad aimed at protecting the thousands of Sudanese refugees there; this mission is expected to begin in March 2008.

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[38] This section focuses on a number of significant present and past ESDP missions but is not exhaustive. For a full list and description of all ESDP missions, see the homepage of Javier Solana, the EU's High Representative for Common Foreign and Security Policy, available at [http://www.consilium.europa.eu].

[39] For more information, see CRS Report RS21774, *Bosnia and the European Union Military Force (EUFOR): Post-NATO Peacekeeping*, by Julie Kim.

[40] Interviews of U.S. and EU officials, July 2003.

In 2005, the EU for the first time launched several small civilian ESDP missions in Asia and the Middle East. In July 2005, the EU began a civilian rule of law mission to help train about 800 Iraqi police, judges, and administrators. Training is taking place primarily outside of Iraq because of ongoing security concerns. In September 2005, the EU established a civilian mission in Banda Aceh, Indonesia, to monitor implementation of the new peace agreement for the region; the EU-led mission in Banda Aceh concluded in December 2006 following local elections. In November 2005, the EU began deploying about 70 monitors to the Rafah border crossing point between the Gaza Strip and Egypt as part of an Israeli-Palestinian agreement on security controls for Gaza following Israel's withdrawal. Despite the closure of the Rafah checkpoint in June 2007 after the takeover of the Gaza Strip by the militant group Hamas, the EU decided to retain its mission there, albeit at a reduced operational level, in order to be able to resume it when security conditions allow. In January 2006, the EU also established a small training and advisory mission for Palestinian police forces.

In June 2007, the EU launched a 200-strong police training mission in Afghanistan, partly in response to calls from NATO and the United States for assistance. The EU took over a smaller police training mission from Germany, and expanded its reach beyond Kabul. As noted above, however, EU officials complain that Turkey is blocking NATO-EU cooperation in Afghanistan, and denying the EU mission vital NATO intelligence and security back-up. Meanwhile, some U.S. officials assert that more EU trainers are needed in Afghanistan.[41]

In addition, the EU has become more involved in trying to promote security and stability in its "wider European neighborhood." In July 2004, for example, the EU set up a year-long civilian rule of law mission in Georgia to support the judicial reform process. In December 2005, the EU launched a border mission to Moldova and Ukraine, in response to a joint request from those countries, to assist them in countering weapons trafficking, organized crime, and corruption by providing advice and training to Moldovan and Ukrainian border and custom authorities.

The Future Shape of ESDP

European Viewpoints. EU leaders view ESDP as one of the next great projects on the road to European integration, and will likely seek to enhance ESDP further over the next decade. As noted above, most EU members assert that EU efforts to boost defense capabilities should complement — not compete with — those of the alliance. Countries such as the UK, Italy, and Spain continue to hope that bringing more and better military hardware to the table will give the European allies a bigger role in alliance decision-making. Newer EU member states from central and eastern Europe, such as Poland and the three Baltic states, back ESDP but maintain that it must not weaken NATO or the transatlantic link.

Germany, given its size and wealth, is considered critical to the success of

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[41] Judy Dempsey, "Afghan Security Suffers as NATO and EU Bicker," *International Herald Tribune*, August 24, 2007; Ann Scott Tyson, "Pentagon Critical of NATO Allies," *Washington Post*, December 12, 2007.

ESDP, but has played a rather passive role in much of ESDP's development. Although always supportive of the initiative, Berlin was keen to tread carefully in light of U.S. concerns. In 2003, in the midst of the transatlantic dispute over Iraq, some observers noted that the then-German government of Chancellor Gerhard Schroeder appeared more receptive to French efforts to forge a European defense arm independent of NATO. They point to the April 2003 meeting of French, German, Belgian, and Luxembourg leaders to discuss creating a separate European military headquarters, planning staff, and armaments agency. Since then, however, Germany has backed away from this stance as it has sought to mend ties with the United States post-Iraq. And new German Chancellor Angela Merkel has made improving U.S.-German relations and the broader transatlantic partnership a cornerstone of her foreign policy agenda.

As noted above, France has traditionally been intent on developing a more autonomous European defense identity. Under former President Jacques Chirac, France was at the forefront of efforts to build an EU security structure independent of NATO. Although new French President Sarkozy, like Chirac, views France's role in the EU as magnifying French influence and power worldwide, he has downplayed building up ESDP as a way to counterbalance the United States and as an alternative to NATO. Sarkozy has suggested that France may draw closer to NATO by rejoining NATO's integrated military command structure, and has supported improving NATO-EU cooperation. At the same time, Sarkozy has asserted that the EU should develop a full command and planning structure of its own. U.S. officials contend that such a structure would rival NATO's large planning cell and be a wasteful duplication of resources. Sarkozy counters that EU missions will only be more effective if the EU improves its planning capabilities further. The UK and several other EU countries, however, also remain opposed to Sarkozy's proposal.[42]

ESDP Post-September 11. Following September 11, 2001, the EU struggled with whether to expand ESDP's purview to include combating external terrorist threats or other new challenges, such as countering the proliferation of weapons of mass destruction. In June 2002, EU leaders agreed that the Union should develop counter-terrorism force requirements, but stopped short of expanding the Petersberg tasks. Increasingly, however, EU member states appear to recognize that ESDP must have a role in addressing new challenges in order to remain relevant and to bolster the EU's new, broader security strategy developed by the EU's top foreign policy official, Javier Solana. The description of the Petersberg tasks in the text of the EU's newly-agreed reform treaty (the Lisbon Treaty) states that "all of these tasks may contribute to the fight against terrorism;" many analysts assert that this language would effectively expand the Petersberg tasks to include combating terrorism.

In the wake of the March 11, 2004 terrorist bombings in Spain, EU leaders issued a new "Declaration on Combating Terrorism." Among other measures, it called for "work to be rapidly pursued to develop the contribution of ESDP to the fight against terrorism." In November 2004, EU officials outlined a more detailed plan to enhance EU military and civilian capabilities to prevent and protect both EU

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[42] "La France Veut Profiter de sa Présidence de l'UE pour Relancer la Défense Européenne," *Le Monde*, October 17, 2007.

forces and civilian populations from terrorist attacks, and to improve EU abilities to manage the consequences of a terrorist attack. EU policymakers also noted that ESDP missions might include providing support to third countries in combating terrorism. At the same time, EU officials maintain that countering terrorism will not be ESDP's main focus, in part because they view the fight against terrorism largely as an issue for law enforcement and political action.[43]

U.S. Perspectives

Successive U.S. Administrations, backed by Congress, have supported the EU's ESDP project as a means to improve European defense capabilities, thereby enabling the allies to operate more effectively with U.S. forces and to shoulder a greater degree of the security burden. U.S. supporters argue that ESDP's military requirements are consistent with NATO efforts to enhance defense capabilities and interoperability among member states. They point out that the EU has made relatively quick progress on its ESDP agenda, and its missions in the Balkans and in the Congo demonstrate that the EU can contribute effectively to managing crises, both within and outside of Europe. As noted previously, U.S. policymakers and Members of Congress insist that EU efforts to build a defense arm be tied to NATO.

Some U.S. officials remain concerned, however, that France and a few other EU members may continue to press for a more autonomous EU defense identity that could rival NATO structures and ultimately destroy the indivisibility of the transatlantic security guarantee. Others worry about the effects and implications of possible NATO-EU competition. For example, critics contend that NATO-EU rivalry needlessly delayed the mission launched in June 2005 to support the African Union in Sudan. They argue that the resulting deal, in which both NATO and the EU are running parallel airlift missions coordinated by an African Union-led cell in Ethiopia, is both duplicative and inefficient.[44]

Overall, critics of ESDP contend that it will mean less influence for the United States in Europe. They suggest that the possible development within NATO of an "EU caucus" — pre-negotiated, common EU positions — could complicate alliance decision-making and decrease Washington's leverage. As noted previously, EU plans for its rapid reaction force may depend on double- or triple-hatting forces already assigned to NATO or other multinational units, thus potentially depriving NATO of forces it might need if a larger crisis arose subsequent to an EU deployment. Others fear that the EU's success in establishing defense decision-making bodies has not been matched by capability improvements, potentially leading to a situation in which the EU gets bogged down in a conflict and requires the United States and NATO to bail it out.

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[43] Javier Solana, "Intelligent War on Terrorism," *Korea Herald*, November 8, 2004.

[44] Daniel Dombey, "NATO Defends Deal on Darfur Airlift," *Financial Times*, June 10, 2005; Interviews of U.S. and European officials.

Appendix:
Membership in NATO and the European Union

Country	NATO	EU
Austria		x
Belgium	x	x
Bulgaria	x	x
Canada	x	
Cyprus		x
Czech Republic	x	x
Denmark	x	x
Estonia	x	x
Finland		x
France	x	x
Germany	x	x
Greece	x	x
Hungary	x	x
Iceland	x	
Ireland		x
Italy	x	x
Latvia	x	x
Lithuania	x	x
Luxembourg	x	x
Malta		x
Netherlands	x	x
Norway	x	
Poland	x	x
Portugal	x	x
Romania	x	x
Slovakia	x	x
Slovenia	x	x
Spain	x	x
Sweden		x
Turkey	x	
United Kingdom	x	x
United States	x	