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Building bridges? What role for the EU in post-war Iraq?

Now that the war in Iraq is officially over, the EU must consider what role it can play in post-war reconstruction. Thus far the Union has reacted swiftly to the humanitarian crisis but not yet defined the part that it will play in the stabilisation and institution building processes. With the US announcement that an interim administration should be in place in Iraq by June the pressure is on to define the EU’s role in the reconstruction of Iraq and build bridges within its own CFSP.

First response: humanitarian aid

Between 1992 and 2003 ECHO provided €157 million in humanitarian assistance to Iraq, making it the largest single donor of humanitarian aid to the country. Although unable to finance pre-positioning of aid prior to the start of hostilities, ECHO began preparing for a possible war as early as September 2002 when a Task Force was established to undertake contingency planning.

As soon as war broke out on 21 March, ECHO pledged €21 million in aid to Iraq from its regular budget and announced its intention to secure €79 million of additional funding from the emergency reserve. The European Parliament approved this funding on 9th April. So far €22.5 million of these funds have been disbursed. On March 21st, acting under the ‘fast track’ emergency procedure, ECHO released €3 million of aid to the International Committee of the Red Cross (ICRC) for the distribution of emergency supplies. On 8th April €9.5 million was released to implementing partners including ICRC, Premiere Urgence and UNICEF to tackle food and water shortages and to finance basic repairs and backup generators for hospitals, while a further €10 million was released on 22nd April to support hospitals and other medical services. This aid was to be airlifted to Iraq on 27th April but the flight was delayed until 6 May due to problems with the original flight plan.

In the case of Iraq EU aid has been released with unprecedented speed. However, problems of security and access have hampered its distribution, particularly during the early weeks of the war. Although the security situation has begun to improve, NGOs insist that the coalition must do much more to ensure the orderly delivery of humanitarian aid. Moreover, NGOs (including ECHO partners) are adamant that the UN must takeover management of the aid effort in Iraq. They are especially concerned by the lack of an independent authorisation process for NGO activities in the country. ECHO Commissioner, Poul Nielsen has written to Kofi Annan supporting the NGO community’s request for a system of UN authorisation for NGOs working in Iraq. However, the issue has yet to be resolved and represents just one more question, which will remain unanswered as long as the role of the UN in post-war Iraq remains undefined. In the meantime, Commissioner Nielsen is visiting Iraq on 6-7 May to explore the possibility of establishing a Humanitarian Aid Office in Baghdad. On departure he once again stressed the need for the UN to play a central role in co-ordinating the aid effort.

Reconstruction: awaiting an ‘appropriate’ international framework

The 14th April External Relations Council gave member states their first opportunity formally to discuss the situation in Iraq since the outbreak of war. At this meeting ministers discussed papers, presented by the Commission/Presidency and the Secretary General/High Representative, outlining the range of policy instruments available to the EU for reconstruction in Iraq. Two days later on 16 April, the EU issued a statement on Iraq following the Informal European Council in Athens (which UN Secretary General Kofi Annan also attended). In their statement the EU leaders affirmed their commitment to play a
‘significant role’ in the political and economic reconstruction of the country and called for the UN to play a ‘central role including in the process leading toward self-government for the Iraqi people’. However, although further discussions were held on this subject at the Informal General Affairs and External Relations Council in Rhodes on 23 May the EU could come to no firmer conclusion than an agreement to ‘contribute to the definition of a central UN role in Iraq’. This rather elastic phrase indicates that member states are still not agreed on key issues such as whether any interim government requires a UN mandate or what should be done about weapons inspections.

However, given that these questions will be settled in New York rather than Brussels, such divisions need not necessarily frustrate EU reconstruction efforts once an international framework is in place. The Commission/Presidency paper on reconstruction identifies three possible phases of EU involvement in Iraq, if the ‘international framework is acceptable’. The instruments proposed include humanitarian aid and civilian police missions (phase 1), institution building, economic assistance and support for civil society (phase 2) and support for structural reform of the economy (phase 3). As no formal decisions can be made at this time, the Council has agreed that the External Relations Commissioner Chris Patten should make some initial assessments regarding humanitarian aid, reconstruction assistance and co-operation with International Financial Institutions. Any further action is dependent on developments at the UN and clear political direction from the Council.

Inevitably, the lack of an agreed international framework for action in Iraq will make the EU’s response to the Iraqi reconstruction slower than it was in Afghanistan or East Timor. As Patten himself has pointed out, it is important to bear in mind that irrespective of divisions within the Union it will be difficult for the EU to act swiftly in cases where the legitimacy of the international framework in which it is being called to act is in question.

**Stabilisation: no common approach**

Whatever the EU may contribute to the reconstruction of Iraq in terms of civilian crisis management capabilities, it is certain that there will be no EU military contribution to the stabilisation process. Indeed, it is over the issue of a multi-national stabilisation force that current and future member states are now most divided. On 30 April the UK Defence Minister, Geoff Hoon, hosted a meeting of 16 countries which will contribute to a stabilisation force. The UK Ministry of Defence has not issued a full list of countries present at the meeting. However, whilst neither France nor Germany attended, other current and prospective EU member states, including Denmark and Poland were present and it is thought that several more will take part in the stabilisation force. Denmark and Italy have already demonstrated their readiness to contribute to such a force by pledging troops and other personnel to serve in post-war Iraq. According to the latest US plans, Poland has been asked to take command of one of the three military sectors into which Iraq is to be divided. A further meeting of troop contributing countries is to be held in London on 8 May. It is still not clear whether the US intends to seek a UN mandate for the stabilisation force but this looks unlikely.

**Building bridges?**

Although the EU has reacted with commendable speed to the humanitarian crisis in Iraq, it has so far been unable to make the necessary decisions about its role in the post-war reconstruction process. With no consensus within the Union as to the legitimacy of the war, the EU has looked to the UN to legitimise the post-war reconstruction framework. Until the UN’s role is defined, a process, which depends as much on the US as the EU, concerted action by the EU will be delayed.

In the meantime the EU must try to bridge the gaps, which the Iraq crisis has opened in its CFSP. This will not be an easy task but might be aided by the recent publication of the road map for the Israeli-Palestinian peace process. The EU has long been united in its view that the problems of the Middle East should not be addressed in isolation and that a solution to the Israeli-Palestinian conflict is imperative. Perhaps the re-launch of this long stalled peace process will give the EU a chance to build bridges of its own.

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2 The Rhodes Informal Council was attended by the foreign ministers of the 15 member states and the 10 states, which will join the EU in 2004.
3 See Contributions of the European Commission and the Greek Presidency: Options for a significant EU role in reconstruction in Iraq 02/05/03 at http://www.eu2003.gr/en/articles/2003/5/2/2653/.
4 On 11 April Denmark pledged to send 400 military personnel to Iraq to contribute to post-war stabilisation. On 15 April the Italian parliament voted to send up to 3,000 military personnel to Iraq including combat troops and military police.

_Catriona Mace_
On 23 April the Praesidium of the European Convention presented its proposals for Draft Articles on external action. These will be included, perhaps with minor revisions, in the Convention’s proposal for a Constitutional Treaty to be concluded in June and decided upon in the next Intergovernmental Conference in 2004. The proposals, which combine the recommendations of the two working groups on external action and defence, seek to encourage convergence and mutual solidarity, while recognising that the development of a common foreign and security policy will rely on actions undertaken by coalitions of the willing. The proposals thereby contain a mix of institutional innovations that are designed to improve the coherence of EU external action while at the same time bringing increased co-operation between sub-groups of member states within the framework of the EU.

EU Foreign Minister to increase coherence

The difficulty of achieving coherence of EU action across policy sectors and between member states is well known and was one of the challenges for the Convention. At least in form, the new Treaty will provide a more coherent overview of how the EU can act on the international scene. This is reflected in the simplified structure of the text, the comprehensive statement of objectives and the explicit statement that ‘the Union shall ensure consistency between the different areas of its external action’ (Article 1).

The principal institutional innovation to help deliver coherence, in substance, is the proposal to create the position of EU Foreign Minister. This position spans both inter-governmental (Council) and supranational (European Commission) institutional structures by bringing together the functions of High Representative of CFSP and Commissioner for External Relations. The Minister would be appointed by the Council in agreement with the President of the Commission and would ‘contribute to the elaboration of and be in charge of the implementation of CFSP/ESDP, for which he/she would receive a mandate from the Council...and, have specific responsibilities in external relations (former 1st pillar issues) as a member of the Commission’.

The Minister would also be granted new powers. These include the right of initiative in the field of CFSP, which would be exercised jointly with the Commission when the proposal concerned an area of Community competence. Moreover, the Minister would be in charge of the negotiation of CFSP agreements, be empowered to ensure coordination of member states’ positions in international organisations and represent the Union in these bodies. With regards the United Nations Security Council, Article 14 calls for member states that sit on the Security Council to request that the Minister present the Union’s position in cases where the Union has a defined position on a subject on the agenda. Within the Council’s decision-making structures, the Minister would chair the Foreign Affairs Council.

The creation of a ‘double-hatted’ position of EU Foreign Minister does not, however, fundamentally change the underlying structure of the EU. While the Presidency will have less of a role in CFSP, which may in practice improve continuity, the intergovernmental character of CFSP and extent of the Commission’s competencies remain unaltered. Hence, no matter how gifted the first incumbent will be, it is unlikely that he or she will be able to deliver convergence where member states positions diverge or coherence where competencies are contested between the institutions, as in the area of civilian crisis management for example.

Enshrining the intergovernmental approach

While many agree that the principal obstacle to the development of common policies in the area of CFSP/ESDP is the fact that unanimity is required for decisions taken by member states in the Council, the Convention does not recommend deep reform in the EU’s decision-making procedures. Unanimity remains the general rule and the use of Qualified Majority Voting (QMV) is often itself qualified. For example, QMV continues to apply to decisions that implement a European Council decision relating to the Union’s strategic interests and objectives in a particular country, region or theme. However, member states also maintain the right to veto such implementing decisions ‘for important and stated reasons of national policy’. QMV will nevertheless be extended to apply to decisions on joint proposals by the Minister and Commission. The Convention also provides for the extension of QMV to CFSP in the future in a clause that would enable member states to decide this without requiring Treaty revisions.

The decision-making status quo is also maintained with regard to the role of the European Parliament (EP). While it is now explicitly granted the right to be consulted on matters relating to ESDP, there are no provisions for increasing its powers to hold the Union to account for actions undertaken in CFSP and/or ESDP. Its role in approving international commercial agreements has, however, been strengthened.
Enabling, but not requiring greater defence co-operation

There are a number of innovations in the area of Defence. The list of crisis management tasks, the so-called Petersburg Tasks, has been extended. These tasks now include joint disarmament operations, humanitarian and rescue tasks, military advice and assistance tasks, conflict prevention and peace-keeping tasks, tasks of combat forces in crisis management, including peacemaking, support action in combating terrorism at the request of a third country, and post-conflict stabilisation (Article 17). Article 18 also allow for greater flexibility for groups of states to implement such tasks within the Union framework. While the decision to undertake an operation must be taken unanimously, by all 25 member states, it will entrust implementation to a smaller group of named countries. To enable EU operations to be undertaken more rapidly, a new mechanism will allow civilian actions to be financed more swiftly from the Community budget and a fund of member states contributions will be established to finance the start-up costs of a military operation.

A ‘solidarity clause’ has also been introduced in the Constitution. This falls short of a collective defence commitment. Rather, it commits the Union to mobilise its resources to address the terrorist threat from non-state actors, and ensures that member states will come to the assistance of a member that has been attacked and requests assistance. The proposals nevertheless provide for member states that want to enter into more binding commitments with each other, including undertakings in improving military capabilities and defence commitments as contained in Article V of the Brussels Treaty, to do so in the framework of the EU. Such structured co-operation would be provided for in a Declaration, signed by participating member states, annexed to the Constitution. Another innovation designed to improve convergence in the area of defence and improve military capabilities is the proposal to establish an Agency for Armaments and Strategic Research. This would bring into the EU framework work that is currently undertaken to increase harmonisation and encourage multilateral projects in other organisations i.e. OCCAR and the Framework Agreement². More controversially, it would ‘support’ defence technology research, which has never been financed from the Community budget before.

A higher profile for the EU abroad?

With regard to the more established areas of EU external action, notably its development co-operation, commercial policy and humanitarian action there are relatively few substantial changes. In general, the articles call for greater complementarity between EU policies and those of member states. There is also a new proposal for the establishment of a ‘European Voluntary Humanitarian Aid Corps’ and a proposal that Commission delegations be transformed into Union delegations, which falls short of recommendations to establish an EU diplomatic service. The articles on sanctions policy have been refined so that EU sanctions can now target physical and legal persons as well as states.

A halfway house solution

The Draft Articles are perhaps less ambitious than might otherwise have been delivered had it not been for the Iraq crisis, which demonstrated the limits of CFSP. They do not address the structural problems that beset the CFSP project, notably the difficulty of getting member states unanimously to agree to common approaches and the challenge of delivering complementary and timely action through the mixed and often contested executives of the Commission and the member states. Europe’s new Constitution is therefore unlikely to deliver the coherence of action that many integrationists were hoping for. Neither is the legitimacy of external action likely to be enhanced through increased efficiency or improved mechanisms of accountability.

The defence mini summit: Deepening division or enhancing co-operation?

On 29 April the Heads of State of Belgium, France, Germany and Luxembourg met to discuss further co-operation in European Defence. Despite their insistence that this initiative is intended only to strengthen EU defence as part of the European pillar of NATO, the so-called ‘mini-summit’ has met with strong criticism from both the US and UK, who have characterised the event as divisive and unhelpful.

Undoubtedly the timing of this initiative is unfortunate in that it appears to entrench divisions within the Union. However, an examination of the proposals made at the summit indicates that, with the exception of the controversial proposal for a European collective planning capability, there is not a great deal in this initiative that is new or radical.

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1 See Draft Articles on External Action in the Constitutional Treaty CONV 685/03, 23 April 2003
http://european-convention.eu.int/docs/Treaty/cv00685.en03.pdf

2 See Jocelyn Mawdsley’s article in this issue.

Catriona Gourlay
Familiar territory: proposals to the Convention

In their end of summit statement the quartet make several proposals for the Convention, many of which are simple restatements of ideas already submitted to the Defence Working Group. These ideas, which include the establishment of enhanced co-operation in defence matters, the reformulation of the Petersburg Tasks, the creation of a European Agency for the development and acquisition of military capabilities and the adoption of a solidarity clause, are not particularly controversial. Indeed many of them have been incorporated into the Draft Articles on External Action presented to the Convention on 24/25 April.¹

Admittedly, the nature of the solidarity clause proposed in the summit statement is a little unclear. By invoking “all kinds of risks” it appears to fudge the distinction between a solidarity clause committing member states to mutual assistance in the event of terrorist attack and a common defence commitment, such as that contained in article V of the Brussels Treaty. The latter remains a sensitive issue both for neutral member states and those who reject ‘competition’ with NATO. However, these issues are not new and it seems likely that in framing the constitutional treaty the Intergovernmental Conference (IGC) will adopt a solidarity clause narrowly defined and a mutual defence commitment annexed as a Declaration, which member states may choose to ratify or not. This is the approach adopted in the Draft Articles on External Action produced by the Convention.

Indeed, the only idea put forward here that is likely to meet with opposition is the proposal for a European Defence College. In their statement the quartet argue that the creation of such a college would favour the ‘development and spreading of a European security culture’. However this is not an initiative, which enjoys the support of member states such as the UK, who feel that such an innovation is unnecessary and that priority must be given to making the best use of existing structures and institutions.

Breaking new ground?: ‘Concrete initiatives’

In addition to these relatively uncontroversial proposals, the summit statement outlines several concrete initiatives, which are intended to reinvigorate the European defence project. These include the creation of a rapid reaction capability (to be built around the Franco-German brigade), a European command for strategic air transport (with the possibility of creating at a later date, a common command for strategic transport – air, land and sea), European training centres, a joint European NBC (Nuclear, Biological and Chemical weapons) protection capability and a new humanitarian aid mechanism (EU-FAST), which would facilitate delivery of aid within 24 hours.

Several of these proposals require clarification. From the summit statement it is not clear how any European NBC protection capability would be organised or how the proposed EU-FAST humanitarian aid mechanism would function or what benefits it would offer over and above existing aid instruments. However, it seems that other member states are not opposed to these ideas in principle. Similarly, the proposal to create a rapid reaction capability that would be made available for both EU and NATO operations is recognised as a means of enhancing existing capabilities to meet the requirements of the EU Rapid Reaction Force.

More controversial is the proposed European command for strategic air transport. Critics, particularly in the UK, question whether such a command can offer significant benefits over and above existing co-ordination mechanisms such as the European Airlift Co-ordination Cell. Once again the quartet’s critics are emphasising the need to address capability shortfalls rather than create new institutions.

A European ‘HQ’: competing with NATO?

The most divisive initiative contained in the statement is the proposal to create a ‘nucleus collective capability for planning and conducting operations for the European Union’, effectively a European HQ, to be installed at Tervuren by summer 2004. The statement maintains that this collective capability would be made available to the EU for the conduct of autonomous operations and could also be used to support the Deputy Supreme Commander Allied Forces Europe (DSACEUR) in his role as Commander of EU-led operations conducted with recourse to NATO assets. In order to facilitate both these kinds of operation the ‘HQ’ would establish liaison links with both its national counterparts and with Supreme Headquarters Allied Powers Europe (SHAPE). Such an ‘HQ’ would, the statement claims, improve interoperability and avoid duplication of national resources.

However, critics, notably the UK, argue that the creation of such an ‘HQ’ would in itself be an unnecessary duplication given that there are several national headquarters, including the Permanent Joint Headquarters at Northwood, which could provide planning capabilities for the conduct of autonomous EU operations. Moreover, they argue that progress in improving these capabilities is being made under the European Capabilities Action Plan (ECAP) and that the issue should continue to be dealt with within this framework.

Given that the US and the UK have always opposed the establishment of any EU planning capability,
which could be construed as competing with NATO, it is unfortunate that this proposal is being put forward at such a sensitive time for transatlantic relations. Implicit recognition of this fact is evident in the cautious wording, which states that a decision on the establishment of the HQ ‘could’ be taken by the end of the year. The quartet hopes that this will give them time to persuade other member states to join the initiative. However, it is possible that discussions with other member states will persuade the quartet to reformulate or delay this proposal until broader consensus can be achieved.

**Capability and Credibility**

Many of the summit proposals reiterate ideas under discussion in the Convention. Moreover, it is clear that the more controversial elements, particularly the proposal for an EU planning capability, do not command the support of more than a small minority of states. In their summit statement the quartet argued, ‘Diplomatic action is only credible…if it can be based on real civilian and military capabilities’. However, many critics of the summit argue that an initiative

backed by only four member states is itself scarcely credible.

What emerges most clearly from this mini-summit is that in many areas of defence policy, a clear majority of member states are not ready to adopt an integrationist approach. In their summit statement the quartet advocate the creation of a ‘Europe of Security and Defence’ based on enhanced co-operation between states that are ready to go ‘faster and further’ in strengthening their defence co-operation. The quartet hopes that the incorporation of enhanced co-operation into the Constitution (as is foreseen in the Convention Draft Articles) will enable a group of member states to act together as the driving force for ESDP. However, the lack of interest from other member states in this current initiative indicates that it will be some time before a significant number of states are willing to put themselves in the driving seat.

**Communiqué on defence equipment: Creating a European armaments policy?**

On 11 March 2003, the European Commission released its long awaited communiqué on industrial and market aspects of European defence requested by the European Parliament in April 2002. It is the third such communiqué issued since 1996 and it also picks up on many issues raised in the military aerospace section of the July 2002 STAR 21 Report. Although previous Commission plans in this area have been largely ignored by member states, the new Communiqué nevertheless aims to provide a vision for creating a viable, sustainable and competitive European defence market.

There are two forces currently pushing for greater armaments co-operation within the EU. The first is an argument that recognises that defence spending is unlikely to rise considerably and that if the equipment capability gaps identified by the European Capability Action Plan (ECAP) process are to be filled, procurement is going to have to be much more efficient. This argument concludes that collective procurement of key items would produce economies of scale and scrap duplication of bureaucracy, research and development and other resources, thus closing the capability gaps without large spending increases. The second is the argument, vigorously pushed by European defence firms, that if they are to remain internationally competitive, their home (European) defence market needs to become more coherent. The communiqué attempts to respond to both arguments, however it makes some questionable assumptions, which have worrying implications.

The communiqué makes proposals in seven areas: standardisation, monitoring of defence-related industries, intra-community transfers, competition, procurement rules, export control of dual-use goods and research. These represent a mixture of thoughtful concrete proposals based on existing work and vaguer, more political assertions sometimes based on questionable evidence. Concretely, it plans to produce a handbook cataloguing standards commonly used for defence procurement by the end of 2004 and launch a monitoring exercise of defence-related industries. It will also assess the impact of a simplified European licence system for intra-community transfers and controversially, initiate a pilot project on defence research related to the Petersberg tasks. Less concretely, the Commission intends to continue to reflect on the application of competition rules to the defence sector and work on optimising European defence procurement, with the aim of creating a single set of procurement rules (presumably these would incorporate the rules for collaborative projects agreed within OCCAR).

It will also ask member states to allow it to participate in the international dual-use export regimes to ensure that firms are not damaged by more restrictive national regimes. Finally, the Commission wishes to pursue an...
EU Defence Equipment Framework, overseen by one or more agencies. This would pull together intergovernmental non-EU initiatives like OCCAR and the Framework Agreement on defence industrial restructuring. It could also use Community instruments to tackle issues like off-the-shelf procurement, security of supply and facilitating European defence trade. The proposals though are based on debatable assumptions.

**Common ground among member states?**

It is questionable whether the member states really share common ground in this policy area yet. The Commission appears to be assuming that despite the unwillingness of member states to adopt the measures it suggested in 1996 and 1997, these states will now be willing to give up autonomy in armaments policy. There are however some factors, which suggest otherwise.

Firstly, although the number of collaborative projects is increasing, defence procurement is still primarily carried out at the national level reflecting national industrial interests. Member states are keen to retain as full as possible a range of defence capabilities, and this includes defence industrial capabilities. Until now there has been little sign that even the most pro-integration states are willing to let the market determine the size or even existence of their defence industrial base. Member states also still have different strategic priorities resulting in different defence industrial, arms export, and procurement systems and policies.

Secondly, national procurement budgets and defence industrial capacities still vary dramatically. This means that the interests of the larger arms producing states and the smaller ones are different. Offset, rigid workshare and other protectionist measures are hugely important to many smaller and medium-sized arms producers to protect their indigenous industry even when purchasing from or co-operating with other EU states. There is little sign thus far that they are willing to relinquish this. Finland and the Netherlands among others have increased their emphasis on military offset to protect their indigenous industry in recent years.

Where defence firms are still state-owned like in Finland or Greece proposing a market-led situation becomes even more complicated and controversial. For the larger arms producers these measures are less important (although they still play a role) within Europe as they can benefit from the sheer weight of their orders and strength of their industry in shaping any multinational project. Indeed some might argue that they have too much weight as one large country’s decision to pull out or decrease its order can jeopardise collaborative projects. Member states also have the option of procuring all but major weapons systems on a purely national basis if desired. Thus, while agreement on building a more coherent defence market has long seemed impossible within the EU or West European Armaments Group, the likeminded larger producers were able to make progress within OCCAR and the Framework Agreement.

Thirdly, there is no consensus on a European preference in armaments procurement, as the Commission appears to assume. States such as Italy, Britain and the Netherlands have made it clear that their defence equipment links with the US remain important. There is a good case for stating that the US defence market is heavily protected and that freer trade should exist. In castigating states for participating in the Joint Strike Fighter programme the Commission ignores the unwelcome truth that the incentive of access to both the lucrative US defence market and technological advances will remain attractive.

**Too shaped by defence industry interests?**

The Commission cites cost efficiency of defence spending, ethics and fairness in the arms trade, security of supply and the need to respect Member States’ prerogatives as important considerations in its policy formulation. Its view however of an EU armaments policy appears to be principally based on maintaining a competitive defence industrial base and obtaining better access for EU armaments to third markets. This emphasis, given the well-known financial constraints on European defence spending and the EU’s desire to become a better security actor, needs to be questioned.

Firstly, it should be underlined that historically armaments policies oriented primarily towards maintaining defence industrial interests have not had a good record in producing optimal military capacity or efficiently produced equipment. There is a tendency for such policies to result in unnecessarily expensive (and on occasion inappropriate) military capacities as commercial interests tend to favour the procurement of ever more complicated successor weapons platforms rather than more innovative solutions.

Equally, the importance of defence research to the wider economy is no longer as obvious as it once was. In fact there is a clear trend emerging which shows the military using civilian developed technology, because civilian technological development is moving at a faster pace than military research. According to the Commission’s own estimate in 1996 a third of the research it then funded was already in dual-use areas. Is it really in the economic interest of the EU to now use its research budget to subsidise pure defence research?

As there is still defence industrial over-capacity in Europe, the Commission rightly suggests measures to
further consolidation, although care must be taken that member states are not faced with quasi-monopoly suppliers. While the establishment and survival of large prime contractors is important for the defence industrial base, the Commission however risks neglecting the interests of sub-contractors (especially in key niche technologies) and those paying for, commissioning and using military equipment. It was noticeable for example that none of these stakeholders were represented on the STAR 21 working group.

Where arms exports are concerned, the communiqué also seems to emphasise the competitiveness of European industry ahead of the need for restrictive arms export regimes. This would represent a retrograde step, given that the Commission has previously been at the forefront of efforts to curb lax export controls in Europe. Given current worries about weapons of mass destruction (WMD) proliferation through dual-use exports, the Commission’s fears that European firms may be unequally or unnecessarily constrained by multilateral control regimes, seem seriously misplaced.

In conclusion, the communiqué appears to waver between supporting a protected ‘Fortress Europe’ and promoting a free trade approach especially with the USA. Given that European and American defence industrial interests are not so easily separated as the communiqué seems to suggest, surely the latter would be a wiser policy, given that Europe cannot afford to match American subsidies.

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3 Organisation Conjointe de Coopération en matière d’Armement (OCCAR) is the multinational agency for managing collaborative arms projects.
4 The Challenges facing the European Defence-Related Industry: Contribution with a View to Actions at European Level, COM 96/10, January 1996, Brussels
http://ue.eu.int/newsroom/EC17022003.asp?BID=118&LANG=1

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Jocelyn Mawdsley
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ESR News In Brief

Rhodes Informal Council: toward a European ‘strategic concept’?

At the Rhodes Informal General Affairs and External Relations Council on 23 May, the foreign ministers of the 25 current and prospective member states of the EU discussed the direction ESDP should take in the face of trans-national threats such as terrorism and WMD proliferation. In the Council press statement Mr Papendreou stated that the EU is in ‘urgent need of a European strategic concept’ and announced that ministers had tasked the High Representative, Javier Solana with drawing up proposals on how to ‘project and deepen ESDP’. Ministers also discussed potential measures for countering the WMD proliferation including alternatives to the pre-emptive use of force such as strengthening multi-lateral fora and weapons verification but also examined the merits of establishing a doctrine for the use of force in the event that peaceful enforcement fails.

Publication of road map starts long journey to Middle East peace

On 30 April the road map for the re-launch of the Israeli-Palestinian peace process was finally published with the stated aim of establishing a permanent two-state solution to the conflict by the end of 2005. The road map envisages a three-phase transition to a permanent settlement sustained by parallel action by both sides. Although its publication has been universally welcomed, many remain pessimistic of its chances of success. Certainly, a great deal of work will be required of the Quartet (EU, Russia, UN, US) in assisting with implementation. Following a preparatory meeting on 5 May the Quartet will hold a full meeting on 22-3 May to discuss modalities for monitoring progress.

The EP’s vision for ESDP

The European Parliament passed a ‘report on the new European security and defence architecture – priorities and deficiencies’ on 10 April. The report, drafted by Philippe Morillon, MEP, broadly supports the proposals of the Convention’s working group on Defence but goes further. It details how a defence ‘avant-garde’ could move faster towards defence integration; calls for the establishment of a Council of Defence Ministers to deal with armaments questions; recommends that the European Space Agency become an agency of the EU; and calls for the establishment of a joint military college and a common EU police force and coastguard to protect EU borders. The report also proposes that the EP be granted powers to approve, by absolute majority, the mandate and objectives of all EU crisis management operations.