

European Defence in View of Brexit

Europe's military power might not suffer, but its political clout is at risk

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The United Kingdom (UK) Prime Minister Theresa May's official request, on March 29th, to leave the European Union (EU) will change the way European countries organise their defence policies. Europeans have always managed their defence via various channels: nationally, in the EU, through NATO and in smaller formats. Brexit will change the way these formats function and how they interact. The effect on the EU's Common Security and Defence Policy (CSDP) will be limited. NATO might benefit from a greater UK commitment, as can smaller formats. The result will be greater fragmentation in European defence, which risks weakening the Europeans' political and military capacity to act.

Brexit affects all channels in which Europeans organise their defence policies, whether directly (those in the EU) or indirectly (those outside, such as NATO). Although Brexit is unlikely to damage Europe's single set of forces, that is, the sum of all military forces in Europe, the Europeans' political capacity to act is likely to suffer from the poisoned atmosphere and the questions about Europe's future that the Brexit negotiations could generate.

New Initiatives in the CSDP

EU countries organise their defence only to a very small degree in the CSDP, which concentrates on military and civilian crisis management and security, such as training security forces in Mali. Defence in a narrow sense – meaning the protection of populations, territorial integrity and of the func-

tioning of the state- remains largely NATO's task. The EU's contribution to defence is mainly the attempt to coordinate capability cooperation, such as through the European Defence Agency (EDA), and to consolidate Europe's defence industry.

Brexit is likely to have little effect on the CSDP, if compared to other EU policy areas such as the Single Market, *firstly*, because the CSDP is organised intergovernmentally: States did not delegate their decision-making authority to a supranational EU institution. They still decide on a case-by-case basis, for example whether to launch an operation. Hence, disentangling the UK from the CSDP will be easier, simply because there are fewer legal obligations and common structures.

Secondly, Brexit will have little impact on the CSDP because the UK has not been a key player in recent years. Rather, it has

blocked the CSDP on different occasions, such as by vetoing an EU Headquarters and an increase of the EDA's budget. In the last years, it did not launch meaningful initiatives, nor did it consider the CSDP a core channel for its security and defence policy. Although it contributed personnel and equipment (such as Northwood HQ for the EU Operation Atalanta), these contributions did not reflect its military capabilities. Brexit thus formalises the reluctance that the UK has had towards the CSDP.

Rather than suffering from Brexit, many observers hope that the CSDP will benefit from it, for it removes the UK veto. Indeed, since the Brexit vote, ideas on how to improve the CSDP have flourished. At the September 2016 Bratislava summit, states agreed to strengthen EU cooperation on external security and defence. At the December 2016 European Council meeting they focussed on three priorities: implementing the EU Global Strategy in security and defence; the Commission's European Defence Action Plan; and a follow-up of the EU-NATO Joint Declaration, signed at the 2016 NATO Warsaw summit. In parallel, EU states from Finland to Italy exchanged non-papers on how to take the CSDP to the next level. Most states then rallied behind the Franco-German ideas, which call to make better use of the treaties, such as by implementing Permanent Structured Cooperation, setting up a European Medical Command and starting a CSDP research programme. Yet, the hope that the CSDP could finally prosper without the UK ignores at least four things. First, the UK is not the only CSDP sceptic country. Others, such as Poland, have been comfortable hiding behind the UK and must now speak up.

Second, current proposals mainly target institutions. Although they will improve CSDP's practical work, such as an HQ in the area of planning, they do not address the political problem of a lacking support from the states. The CSDP's main problem is that Europeans have a proven alternative for defence – NATO. Hence, there is little pressure to set up a policy within the EU.

CSDP's limited success is not only due to the British block on structural development. It results from a lack of trust of the Europeans in the capacity of the EU to deliver on defence.

Third, France and Germany, the driving forces behind the current initiatives, have not yet been able to show results. There is little agreement on the nature of engagements, the geographic priorities, and the industrial aspects. If the two do not agree, initiatives are unlikely to be implemented.

Fourth, current ideas call for a deeper integration, which means abandoning national sovereignty. In view of rising euro-sceptic parties (beyond the election campaigns in France and elsewhere), which criticise the loss of sovereignty and want to take back control, it is unlikely that this integrationist push will get much support.

But Little Change in the CSDP

Thus, fundamental change is unlikely. Yet, Brexit is likely to trigger stepwise modifications that reinforce CSDP's capacities in crisis management and security (but not its defence profile). First, states are likely to upgrade CSDP governance to improve the practical work. In March 2017, they set up a Military Planning and Conduct Capability for non-executive operations, a precursor for an HQ. The Preparatory Action, launching €90 million for CSDP-related research, will start mid-2017 and will run until 2020. It could pave the way for a European Defence (Research) Budget under the EU Multiannual Financial Framework.

The second likely change concerns operations and capabilities. The UK is a military power, one of only five EU states to have an OHQ able to command an operation, and it possesses high-end capabilities not many Europeans have, such as ISR (Intelligence, Surveillance, Reconnaissance). On paper, the EU is losing the UK's considerable military capabilities, which amount to about 20 per cent of Europe's overall capabilities. But given that the UK has always been reluctant to put its defence power at the

EU's disposal, Brexit is not likely to make a big difference in practical terms. Likewise, the UK has not excelled in EU capability cooperation, existing frameworks, such as EDA, will not suffer. Yet, in theoretical terms, things do change: The EU countries agreed on levels of ambition (LoA), that is, what the EU aims to carry out in terms of operations. The EU will be obliged to lower those LoA, as it can no longer count on the UK's capabilities.

A third likely change is a reduced strategic outlook that might inhibit the CSDP: A limitation in the EU's military capabilities also limits the Union's military aspirations, and thus affects its broader ambitions. The UK brought a particular strategic culture to the EU, characterised by a global outlook. It is difficult to measure the loss of such strategic thinking following Brexit. Yet, it is likely that it will not only affect the internal debates on what the EU should do, and how, but also the view that the outside world has of the EU. External actors might perceive the EU as being less ambitious, more inward-looking, and less willing and capable to act on the global stage.

NATO as Beneficiary

The UK leaves the EU, but not Europe; security problems in and around the continent will still affect Britain. Yet, if after Brexit the UK can no longer shape collective answers to these challenges inside the EU, it could turn to other formats, the likely beneficiaries being NATO and smaller cooperation formats.

With regard to NATO, the UK already voiced its intent to strengthen its commitment, yet without specifying what this means. London seems to increase its personnel in NATO and aims to take a political lead. It refers to its contributions to NATO's deterrence and defence measures, such as the role as lead nation within NATO's Enhanced Forward Presence. Yet, these decisions were made prior to Brexit and can thus hardly serve as a token of a new commitment. Besides, a stronger military role

cannot be taken for granted: If the Brexit process affects the economy, the UK's ability to achieve the LoA and capabilities – as set out in the 2015 Strategic Defence and Security Review – will suffer. Even if the UK sticks to the 2 per cent of GDP spending goal for defence, there will be less money if the overall GDP shrinks. If the pound loses value, procurement abroad will be more expensive, planned capabilities could become unaffordable, or the timing and numbers of procurement could change. Finally, if the UK's unity were to be questioned, such as through another Scottish independence referendum (as requested by Scotland in March 2017), budget priorities might shift.

Nevertheless, there is a chance that NATO could benefit from a stronger UK commitment, as it will be the only defence forum in Europe in which the UK can still play a role – and which would allow London to underpin its “global Britain” ambitions. As a result, NATO could gain in importance as a platform for debates, policy, and capability development among Europeans. In an ironic twist, although it weakens the EU, Brexit could thus strengthen the European pillar in NATO.

Smaller Formats Might Prosper

The second likely beneficiary are multilateral defence cooperation formats outside the EU and NATO. This applies in particular to the Franco-British Lancaster House Treaties, launched in 2010, which set up cooperation in the nuclear realm, capabilities, and even industrial issues. Both states expressed their wishes to deepen this link, such as by launching specialised Centres of Excellence for missile technology in 2016. Besides, both countries share an ambitious and outward-looking strategic culture and rely on each other for issues such as the fight against the so-called Islamic State.

The UK also aims to revive its cooperation in the Northern Group, which comprises northern European countries, including Germany. London values the Joint Expe-

ditionary Force, which consists of Denmark, the Baltics, the Netherlands, and Norway. Also, the UK and Germany aim to intensify their cooperation, such as in cyber security. A further appeal of those formats is that they can serve as a link for the UK into the EU, and possibly as a way to channel UK interests into EU debates. Yet, although cooperation in small groups seems easier, these groups risk undermining the EU and NATO in the long term.

Fragmentation of European Defence

Overall, a further differentiation of tasks between NATO and the EU seems likely. Rather than create a defence capacity inside the EU, the CSDP is likely to concentrate on crisis management and capability cooperation, whereas NATO will stick to its (operational) defence tasks. Yet, if the EU – via new research funds, financial incentives for cooperation, and the opening of defence markets – were able to support capability development, Europe’s overall defence would benefit: The states could use such an improved single set of forces in the EU and NATO (and the UN, for that matter).

Yet, there is a risk that Brexit might create a more fragmented and inward-looking EU, less able to shape regional order. Not only will the implementation of Brexit occupy the EU and the UK for some time and might affect mutual trust. Both face domestic issues as well. The UK needs to deliver on Brexit promises while keeping the Union together (Scotland, Wales, Northern Ireland). The EU has to avoid further centrifugal tendencies and define its future integration model. It is likely to suffer from the political fallout from Brexit, that is, a lack of unity and doubts about the EU project as such. Other exit votes are unlikely, but referenda on certain aspects of EU obligations that countries do not like, in addition to a certain disdain for EU rules risk affecting EU unity. Yet, political agreement is the precondition for EU collective action. A Europe that is occupied with itself risks paying less attention to external threats and has less

weight on the international stage. This is worrying in view of existing challenges and the uncertainty about the US commitment to European defence, which has questioned the viability of NATO and the EU.

Rethink European Defence

The main challenge for the UK and the EU will be to define the UK’s role and to rethink European defence. For the CSDP, the existing third-party agreement (from which more than 40 non-EU states benefit) offers a starting point for future UK contributions. It allows non-members to join EU operations but gives them next to no role in their design. It might be worth considering to offer the UK a special status to involve them in planning processes earlier in order to provide incentives for UK contributions. Non-EU states can also participate in EDA activities if they wish to do so. A regular EU-UK dialogue would allow for finding common ground on operations, industrial and capability cooperation, which would be of mutual interest. Also, NATO would benefit from a functioning EU-UK relationship, as it would ease the implementation of the 2016 EU-NATO Joint Declaration.

The next step is to conceptually rethink European defence. Most Europeans tend to link the solutions to their security problems to institutions, mainly the EU and NATO. Yet, both have limitations. NATO remains a military alliance. Crucial tools that deal with non-military threats remain with the EU or the states. The CSDP offers a contribution to security, yet key instruments lie with the Commission and the states. It is hence misleading to ask which institution will organise European defence. The key questions are how Europeans can ensure effective defence and identify the needed capabilities to protect populations, states, and borders. The importance of institutions lies in the bundling of forces and ideas, and fostering agreements where necessary. The states’ role is to ensure the coordination between the various formats, and offer political leadership.

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Further Reading

Barbara Lippert/Nicolai von Ondarza
A European “Special Relationship”. Guiding Principles, Interests and Options for the EU-27 in the Brexit Talks
SWP Comments 49/2016,
November 2016

Nicolai von Ondarza/
Julia Becker
Negotiating with a Dis-United Kingdom. The EU’s Options Concerning Scotland and Northern Ireland in the Brexit Talks
SWP Comments 7/2017,
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