RAND EUROPE

European strategic autonomy in defence

Transatlantic visions and implications for NATO, US and EU relations

Lucia Retter, Stephanie Pezard, Stephen Flanagan,
Gene Germanovich, Sarah Grand Clement, Pauline Paille

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Preface

This report presents the findings of a RAND study on the topic of European strategic autonomy in defence. Funding for this research was made possible by the independent research and development (R&D) provisions of RAND's contracts for the operation of its US Department of Defense federally funded R&D centres.

The study was delivered jointly by RAND Europe researchers and RAND Corporation colleagues in the United States and was explicitly designed to capture transatlantic perspectives on the issues surrounding European strategic autonomy, conscious of the concept's relevance to the wider Euro-Atlantic community and security architecture. As such, it offers a unique contribution to the lively debate surrounding the concept of European strategic autonomy, exploring its implications not only for the European Union (EU) but also the North Atlantic Treaty Organisation (NATO) and relations with the United States (U.S.).

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For further information about this study, please contact:

Lucia Retter

Senior Analyst and Deputy Director of the Centre for Defence Economics and Acquisition

RAND Europe

Westbrook Centre, Milton Road

Cambridge, CB4 1YG, UK

e. lretter@randeurope.org

Stephanie Pezard

Senior Political Scientist and Associate Research Department Director for Defense and Political Sciences (DPS)

RAND Corporation

1200 South Hayes Street

Arlington, VA 22202-5050, USA

e. spezard@rand.org

Summary

Competing visions of European strategic autonomy have been widely debated in European Union (EU) policy circles. The term itself has undergone a fast evolution: from an initial focus on defence to inclusion of a much broader set of security considerations such as the economy, health or technology, to name just a few. At its core, however, the concept retains an important defence dimension. This study seeks to answer the fundamental question of 'What does European strategic autonomy in defence mean for the EU, North Atlantic Treaty Organisation (NATO) and EU-US relations'?

Efforts to promote European strategic autonomy in defence face uncertain prospects, requiring sound understanding of factors that will shape success

There is widespread recognition within EU institutions, agencies and most EU Member States that greater integration of national defence strategies, policies, forces and capabilities is needed to meet the ambitions set out in the EU's Global Strategy (EUGS) and Common Security and Defence Policy (CSDP).[1] The EU's level of ambition in the area of defence has grown markedly since the United Kingdom voted in June 2016 to leave the Union.[2] This reflects a deteriorating security environment, a desire in Brussels and national capitals to rejuvenate the EU, and the removal of the UK's veto on initiatives that, before Brexit, would likely have been blocked due to concerns in London about potential duplications with NATO efforts. At the same time, the EU and NATO have sought to work more closely together, as emphasised in their Joint Declaration in 2018.

Yet the path towards greater EU defence integration has been bumpy and focused on setting up new institutions, frameworks and programmes often without providing adequate resources, sustained political support or clear outputs. This legacy raises questions for the future of European strategic autonomy in defence and means some experts still view the concept with scepticism, especially across the Atlantic.

The ways in which European strategic autonomy materialises in the future and how successfully it develops in defence – or beyond – will be influenced by a range of factors, each of which can develop in different ways. Drawing on RAND's hierarchical cluster analysis methodology, some factors will have a direct influence, as shown in Table 0.1 while a much longer set of exogenous factors will indirectly shape EU and NATO decision making. This includes election outcomes, the shifting foreign and security policy direction

[1] EEAS (2016a).

[2] Black et al. (2017).

of national governments (as well as competitors, adversaries and other leading powers) and future economic performance – a point of increased uncertainty in the wake of COVID-19.

Table 0.1. Factors directly influencing European strategic autonomy in defence

- Level of conflict in the world
- Threat perception across European nations
- Extent to which Europeans perceive the U.S. as a reliable ally
- Credibility of NATO
- Level of ambition of European strategic autonomy
- Development of a common strategic culture in Europe
- European leadership
- Aggregate military strength of European forces
- Degree of complementarity with NATO
- Level of interoperability
- Involvement of the UK in initiatives relating to European strategic autonomy post-Brexit
- Level of third party access to the European defence market
- National defence spending of European nations
- EU common funding

Source: RAND analysis using hierarchical cluster analysis scenario methodology.

This study explored three possible futures of European strategic autonomy in defence to understand their policy implications

The future is inherently uncertain, and the way in which European strategic autonomy in defence materialises is subject to wide-ranging discussions by policymakers and commentators. As such, this study examined the implications of three different possible futures of European strategic autonomy in defence, using a scenario methodology. Table 0.2 provides a brief overview of these scenarios. These scenarios are logically consistent but in no way are they intended to be either equally likely or equally desirable. They were generated to serve as a tool for engagement with senior experts on both sides of the Atlantic, which formed the core data gathering source for this study.

Experts varied in their views of which scenario was most plausible, with European interviewees tending to lean towards Scenario 1, which envisages development of a strong European pillar of NATO, on the basis of current trends; and US interviewees expressing some scepticism of this being plausible in the short term (next five years or so). As a result, several US interviewees noted that elements of Scenario 2, which envisage a faltering EU defence integration and transatlantic fragmentation, might be more plausible. A strong Europe that does not rely on NATO for access to military capabilities and structures, as envisaged in Scenario 3, was generally perceived as implausible in the short (five year) term considered by this study.

Table 0.2. Overview of scenarios

	SCENARIO 1	SCENARIO 2	SCENARIO 3
	'A true European pillar of NATO'	**'European defence integration falters; transatlantic fragmentation'**	**'A strong Europe goes its own way'**
Level of conflict in the world	Increases	Decreases	Increases
European decision making	Led by France, Germany, UK Cohesive	Fragmented No UK involvement post Brexit	European Security Council set up with permanent and rotating seats
NATO-EU complementarity	Increases	Decreases	Decreases
Perception of the U.S.	U.S. perceived as a reliable ally	Mixed	Perception that U.S. cannot be relied upon
National defence spending of European nations	≥2% GDP	Decreases	Increases but most countries do not meet 2% GDP target
Integration and interoperability of European capabilities	Increases	Decreases	Increases
Third party access to EU defence market	Increases	No change	Decreases

Source: RAND analysis of scenario software outputs.

A militarily stronger EU has clear benefits for NATO and the U.S., but the path towards it is not without risks – particularly if it diverges from NATO

A strong European pillar within NATO was largely seen by experts as advantageous for all actors considered: bringing greater military strength to NATO, while creating a militarily stronger partner to the U.S. in a time of intense global competition. Conversely, a capable EU that duplicates or disregards NATO was seen as a threat to transatlantic relations. A number of US interviewees also perceived a risk that the U.S. would lose influence in Europe and would risk divergence of foreign and security policy. This was seen as particularly concerning vis-à-vis other countries the U.S. perceives as competitors and adversaries (e.g. China, Russia) but which some in the EU may not perceive in the same way. The risks accompanying such divergence due to a militarily independent EU were seen as not too dissimilar to those of the opposite extreme of a fragmented Europe.

A militarily fragmented EU, then, could weaken NATO in terms of defence capabilities but could also mean a further relative increase in US influence within NATO, potentially driving greater coherence of the Alliance. Overall, however, NATO's credibility – tightly knit with the strength, effectiveness and coordination of military capabilities of the 30 allies – would likely suffer in this scenario. This is because most EU member states are also NATO members and the forces and capabilities they have are the same – whether used for EU CSDP missions or operations through NATO. US foreign and security policy ambitions could also suffer if one of its crucial allies were to become fragmented and militarily weak.

EU-led initiatives in pursuit of European strategic autonomy in defence are important, but its shape will also be determined by external influences

Recent years have seen the European Commission consolidating greater control of defence integration, beginning with the introduction of the European Defence Procurement Directive and the Defence Transfers Directive, followed by the Defence Action Plan and the establishment of the Directorate General for Defence Industry and Space (DG DEFIS) and the launch of the European Defence Fund (EDF). These Commission initiatives are complemented by programmes run or facilitated by the European Defence Agency such as the Coordinated Annual Review of Defence (CARD), Permanent Structured Cooperation (PESCO) and other pooling and sharing initiatives. Various minilateral defence groupings further add to this complex web of cooperation mechanisms beyond EU and NATO structures. These include the European Intervention Initiative, the UK-led Joint Expeditionary Force (JEF),NORDEFCO or the Visegrad Four.

The success or failure of these different initiatives will determine how ideas of European strategic autonomy in defence translate into tangible, real-world outputs; yet, the strategic direction and viability of these initiatives will also be shaped by actors outside the EU such as the U.S., Turkey and the UK.

It is frequently recognised in policy reports that the recent impetus behind promoting European strategic autonomy has been closely associated with the perceived unreliability of the U.S. during the Trump administration. While there may be a sense of relief within the EU following the election of President Joe Biden and his expressed desire to re-establish a close cooperation with European allies and partners, there was also a strong sense, especially among European interviewees, that the EU needs to hedge against a potential second Trump or Trump-like administration in the near future. Effectively, this may mean a desire to pursue greater European defence integration to be ready for a potential Scenario 3 outcome, while hoping for the actual realisation of Scenario 1.

Besides the U.S., other major NATO allies who sit outside the EU – Turkey and the UK in particular – will also continue to have a significant influence on the shape of European strategic autonomy and especially the practical ability of the EU to complement NATO. Turkey has been recognised by several consulted interviewees as a strong influence in shaping NATO-EU relations, with the strained relationships between Turkey and Greece and with Cyprus linked to persisting difficulties to enable a more constructive, practical engagement between the two institutions. The UK, on the other hand, has adopted an ambitious strategic agenda in what it has called the biggest review of security, defence, development and foreign policy since

the Cold War.[3] In its Integrated Review published in March 2021, the UK has indicated a strong desire to be a 'Global Britain' with persistent presence across the globe, making a tilt towards the Indo-Pacific region but with a firm commitment to European defence and security through NATO or frameworks such as the JEF, the Combined Joint Expeditionary Force (CJEF) with France, or the Northern Group.

In addition to these 'influencers' within NATO, there are also external challengers, notably Russia and China, whose policies and actions – not only in defence and security but also in technology, trade, energy and many sub-threshold activities – will inevitably shape the relationships between the trio of actors examined here (EU, US and NATO) as well as the future of European strategic autonomy in defence. More specifically, the complicated bi-and multi-lateral relationships that the EU as a whole as well as its member states individually have with China, Russia and the U.S. inevitably shape discussions on measures adopted in pursuit of European strategic autonomy. Crucially, the ability of the EU, the U.S. and NATO to cohere strategically on their approaches to these external challengers will continue to shape initiatives taken to promote European strategic autonomy. It is likely that the complexity of these relationships will reinforce the extension of the term's coverage well beyond the traditional defence and security to consider economic relationships, trade, investment, digital economy, energy, transport, etc.

Clarifying what European strategic autonomy really means in defence – and beyond – is needed before it can be a success

Given the challenges described above, this report presents broad policy options that have the potential to contribute to a positive realisation of European strategic autonomy in defence. These include:

1. **Fostering a constructive dialogue at all levels among EU and US partners**, including discussions bilaterally, via minilateral defence groupings and at the working level to enhance mutual understanding of the meaning and ambition behind European strategic autonomy in defence and beyond. This would aim to dispel myths, build trust and identify concerns among all parties.
2. **Encouraging a proactive and unambiguously supportive US stance** towards European strategic autonomy in defence, providing concrete backing to EU defence integration that recognises a stronger Europe as being in the interest of both the U.S. and NATO, while dampening divergent preferences of individual EU member states and seeking to avoid duplication with NATO.
3. **Fostering deeper cooperation between EU and NATO** as already envisaged in the Joint Declaration, using the EU's Strategic Compass and NATO's Strategic Concept as practical avenues for alignment and complementarity in the short-to-medium term, and pursuing practical initiatives that deliver concrete benefits to all (e.g. enhanced military mobility, access to materiel).
4. **Restoring a constructive relationship with the UK post-Brexit**, recognising the UK's significant contribution to European defence and security and the advantages it brings through valuable global relationships, niche military and cross-government capabilities and relevant expertise.

[3] UK Government (2021).

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Abbreviations

CARD	Coordinated Annual Review on Defence
CDP	Capability Development Plan
CFSP	Common Foreign and Security Policy
CJEF	Combined Joint Expeditionary Force
CSDP	Common Security and Defence Policy
EC	European Council
ECSC	European Coal and Steel Community
EDA	European Defence Agency
EDC	European Defence Community
EDF	European Defence Fund
EEAS	European Union External Action Service
EI2	European Intervention Initiative
ESA	European Strategic Autonomy
EU	European Union
EUGS	European Union Global Strategy
EUMC	European Union Military Committee
EUMS	European Union Military Staff
GDP	Growth Domestic Product
JEF	Joint Expeditionary Force
LoI	Letter of Intent
NATO	North Atlantic Treaty Organisation
NORDEFCO	Nordic Defence Cooperation
PESCO	Permanent Structured Cooperation
PSC	Political and Security Committee
R&D	Research and Development

SHAPE	Supreme Headquarters Allied Powers Europe
SME	Small and medium enterprises
SMTC	Special Operations Forces Medical Training Centre
UK	United Kingdom
U.S.US	United States
WEU	Western European Union

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This study relies on a systematic scenario building methodology that required significant expert input. The study team is indebted to RAND's senior experts, James Dobbins, Ruth Harris, Hans Pung and Charles Ries, for their time, contribution and patience with the variety of inputs required to build the scenarios. Another core component of the study was engagement with senior experts from a range of US and EU institutions, EU member states, NATO institutions and independent academics, analysts and observers. The study team consulted 27 senior interviewees over the course of the period between January and March 2021. For consistency in presentation and acknowledging a large number of interviewees who wished to remain anonymous, no individuals are explicitly mentioned throughout the study. Instead, all institutions and organisations consulted are listed in one of the annexes. Nonetheless, the study team is deeply indebted to all interlocutors for their time, insights and openness when discussing this, in places somewhat sensitive, topic of European strategic autonomy.

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Notwithstanding all these valuable contributions, any mistakes and omissions are the sole responsibility of the authors.

1. Introduction

This chapter introduces the concept of European strategic autonomy, highlighting some of the challenges in interpretation and understanding. It also explains the purpose and design of this study and outlines the structure of this report.

1.1. The concept of European strategic autonomy encompasses various different visions, creating complexity for analysts and policymakers

Much has been written about the origins, meaning and interpretations of the term 'European strategic autonomy'[4] and, undoubtedly, much will continue to be written as the European Commission pursues its agenda of a 'geopolitical Commission' focused on pursuing the EU's strategic interests.[5] A 2021 research paper by the Istituto Affari Internazionali (IAI), a Rome-based think tank with a long track record of analysing European foreign policy, traces the first use of the term to a December 2013 meeting of EU Member States' foreign, defence and development ministers. 'European strategic autonomy' then referred to security and defence (i.e. in the context of the EU's Common Security and Defence Policy) and was subsequently framed as a strategic ambition in the 2016 EU Global Strategy (EUGS).[6]

Others trace this concept back to the French notion of 'strategic autonomy', formalised, for example, in the 1994 White Paper on defence.[7] In 2008, an updated French White Paper on defence and national security first linked strategic autonomy between the national and EU levels, creating a link between member states and EU interests under the same concept.[8] In the French context, strategic autonomy was originally defined as 'the ability to use military force autonomously',[9] while within the wider EU context, the term European strategic autonomy has recently been expanded beyond a 'hard power' understanding to include a much broader set of security issues. This includes topics such as trade, energy, health, digitalisation, access to raw materials and technology, to name but a few. This more expansive definition of strategic autonomy has largely been driven by the EU's External Action Service (EEAS) and also reflects the systemic challenge

[4] For a summary of different perspectives on European Strategic Autonomy, please see: European Parliament (2021) and Council of the European Union (2021).

[5] Tocci (2021). European Commission (2021).

[6] Tocci (2021).

[7] Long et al. (1994).

[8] Mauro (2018).

[9] Brustlein (2018).

posed by political and economic competition with countries such as China or Russia, who make use of all levers of power (not just the military instrument) to compete below the threshold of open armed conflict.[10]

The European Union Institute for Security Studies (EUISS)'s own paper published in the summer of 2021 titled *European Sovereignty* also discusses the links and distinctions between the terms 'strategic autonomy' and 'strategic sovereignty'.[11] The paper articulates the conceptual differences between the two, while confirming the strong link of the term 'strategic autonomy' with defence and security and arguing for the need to focus on concrete manifestations of the EU's technological and economic interdependence and strategic relationships to give meaning to the concepts.[12]

The core of the concept of 'European strategic autonomy' is generally recognised to be firmly rooted in defence and a more 'traditional' (Westphalian), i.e. state-centric, understanding of security. This is based on the understanding of the modern nation-state as having a monopoly on the legitimate use of force and primary responsibility for ensuring citizens' security.[13] It is this core interpretation of 'strategic autonomy' that forms the subject of this report, enabling a more focused analysis that can be underpinned by concrete and relatively well understood building blocks (e.g. the importance of defence capabilities, interoperability, EU Member States' perception of the US as an ally and other factors).

As such, this RAND study adopts the following definition of 'European strategic autonomy':

Box 1. Definition of European strategic autonomy used in this study

> European strategic autonomy[14] is the ability to act autonomously and the ability to choose whether and in what ways to collaborate with like-minded partners in matters of security and defence. The capacity to act autonomously implies both the ability to decide and to implement decisions in an autonomous manner.

Source: Adapted from European Parliament Research Service (2020).[15]

Efforts towards European strategic autonomy gained momentum during the Trump administration (2016–2020), which also coincided with negotiations to complete the UK's departure from the EU ('Brexit'). They were galvanised by President Trump's insistence on greater US-European burden sharing within NATO, in other words, the repeated US calls for European governments to be both spending and doing more on Allied defence; as well as heightened ambiguity around US commitments to collective defence or even potential threats to leave the Alliance and cut back the decades-long US military presence in Europe.

Several initiatives were put in place to underpin efforts to achieve European strategic autonomy by consolidating defence decision making, capabilities, plans, R&D and operations planning under EU-level structures, including: the Capability Development Plan (CDP), the Coordinated Annual Review on

[10] EEAS (2020).

[11] Fiott (ed.) (2021).

[12] Fiott (ed.) (2021).

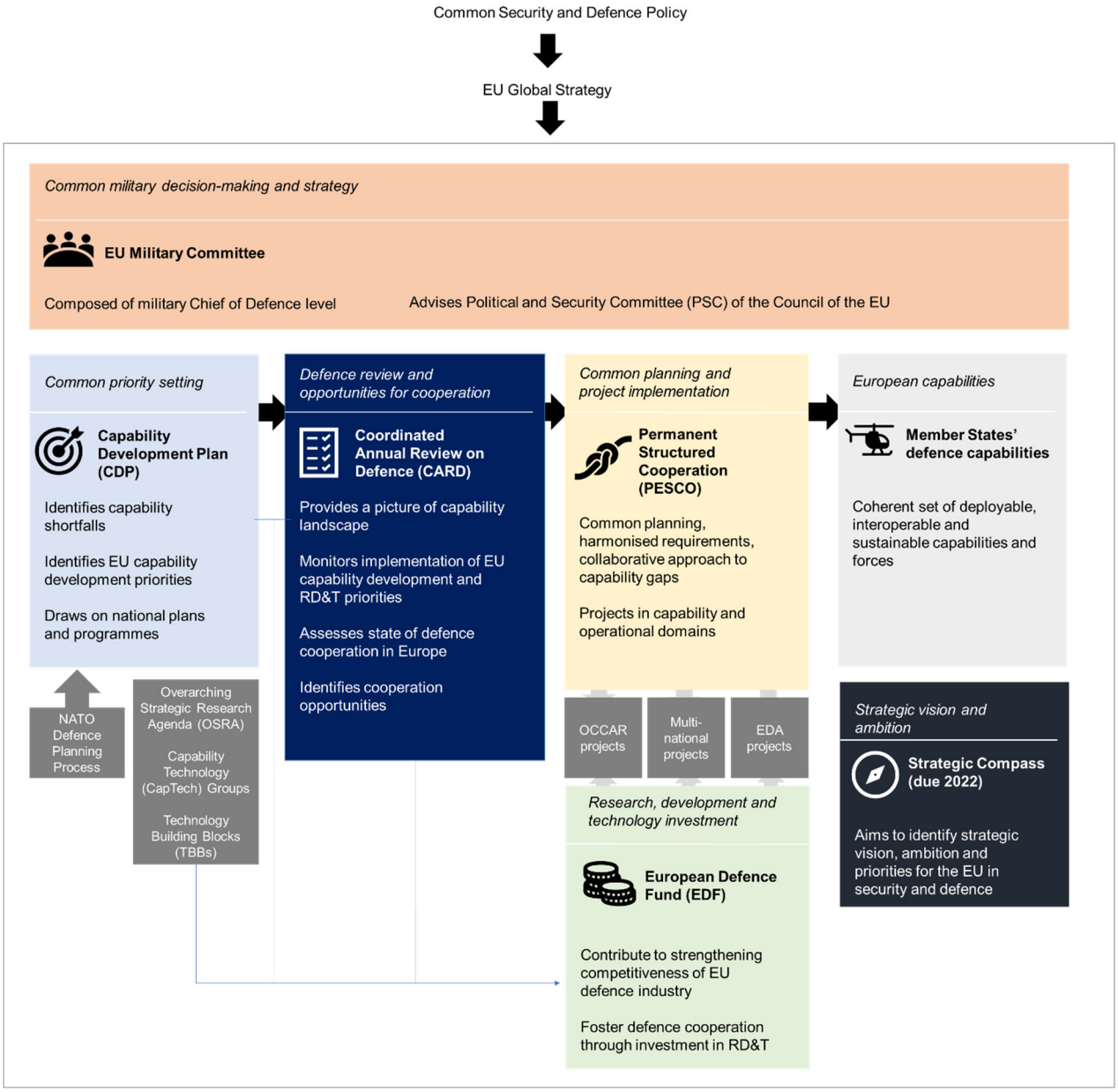
[13] For a discussion about interpretations of security, see Retter et al. (2020), Chapter 2 that discusses 'traditional' conceptions of security in terms of defence of the 'homeland', with more recent extension of the term to include economic security, trade, critical infrastructure, human security and others.

[14] 'Autonomy' and 'autonomous' stem from the Greek meaning the 'ability of the self – *autos* – to live by its laws – *nomos'.*

[15] Anghel et al. (2020).

Defence (CARD), and the European Defence Fund (EDF), along with the Permanent Structured Cooperation (PESCO) framework for a subset of EU member states eager to move faster than full EU consensus allows.[16] Although the scale, scope and impact of these initiatives vary in practice, they represent the potential foundations of a systematic, stepwise, approach to achieving European strategic autonomy in defence and security. An overview of these initiatives is presented in Figure 1.1 and a more detailed description is included in Chapter 2.

Figure 1.1. Steps and initiatives towards European strategic autonomy



Source: Adapted from European Defence Agency (EDA) (2018a).

[16] FINABEL (2020).

1.2. European strategic autonomy raises questions for the EU-NATO relationship, many of which are yet to be rigorously scrutinised

The meaning of 'European strategic autonomy' is not uniformly understood on either side of the Atlantic. Indeed, there is a fundamental tension: US officials have long looked to European allies to do more but have also expressed reservations that EU defence integration could duplicate or undermine NATO structures, diminish US influence in transatlantic security affairs, or hamper US companies' participation in EU defence equipment markets.

These differences are longstanding. In their December 1998 Saint-Malo summit declaration,[17] French President Jacques Chirac and UK Prime Minister Tony Blair called for the EU to develop the capacity for autonomous decision making and action, supported by credible military forces, in order to respond to international crises when NATO is not involved. Reflecting Washington's concerns, US Secretary of State Madeleine Albright cautioned that such efforts to develop a European Security and Defence Identity (ESDI) should result in 'no diminution of NATO, no discrimination, and no duplication—the 3 Ds.'[18]

This tension has been manifested in cycles over the past two decades. A Europe that can better defend itself without as much US support is therefore simultaneously a boon and a threat to the transatlantic alliance. In addition, efforts to achieve strategic autonomy may be seen by the many US analysts as hollow institution-building, i.e. initiatives that purport to increase Europe's contribution to its defence but are not accompanied by sufficient resources, and thus not actually resulting in a stronger European pillar of NATO.

The EU and NATO are currently involved in a structured review process of their respective strategic ambitions and objectives under the EU's Strategic Compass and NATO's 2030 Initiative. The EU's Strategic Compass initiative was launched in June 2020 and is aimed at identifying and then getting the EU member states to agree on what joint EU goals and objectives should be in four areas: crisis management, resilience, capabilities and partnerships.[19] This involves several phases of activity:

- The preliminary phase was completed in November 2020 with the EEAS's publication of the first Threat Analysis, a classified document assessing the key threats for the coming years.
- The second phase, consisting of a wide consultation across EU member states to exchange ideas and propositions, started in early 2021.[20]
- This will lead to the development of the Strategic Compass to be published in March 2022 and adopted by the European Parliament. The document is intended to include a concrete action plan that will strengthen and better define the EU's position as a defence and security actor.[21]

NATO has also been preparing for further adaptation under the Secretary General's NATO 2030 Initiative, including the work of an independent expert group, which recommended updating the 2010 NATO

[17] Foreign and Commonwealth Office (1998).

[18] Albright (1998).

[19] EEAS (2021).

[20] EEAS (2021); EUISS (2021).

[21] EUISS (2021); Fiott (2021).

Strategic Concept.[22] The 2010 Strategic Concept affirmed the Alliance's core tasks of collective defence, crisis management and cooperative security to safeguard member nations in the face emerging threats and to work cooperatively with a wide range of partners, including the EU. A consensus has emerged among NATO allies that changes in the security environment over the past decade – particularly rising tensions with Russia and growing concerns about China's rise, climate change and the outbreak of the COVID-19 pandemic – warrant updating the 2010 Strategic Concept. This process was formally initiated at a June 2021 NATO Summit and is to be completed in 2022.[23] A revised Strategic Concept is likely to chart a course for further adaptation of NATO along lines identified in the 2030 process[24]:

- Strengthen allied military capabilities for collective deterrence and defence.
- Enhance transatlantic consultations and the political dimension of the Alliance.
- Broaden NATO's agenda to tackle existing and new security challenges including climate change, resilience, technological innovation, and protect the international rules-based order, which is being challenged by authoritarian powers, including China.

Those European nations who are part of both the EU and NATO will participate in both processes, which should, at least in theory, foster greater cooperation between the two entities.[25] However, it remains to be seen to what extent these processes and their outcomes become duplicative or complementary.

Many of the dilemmas surrounding European strategic autonomy and its implications for the U.S. and NATO are discussed in policy literature and various analytical pieces.[26] Yet, a systematic analysis of this topic has not been done, especially one that is forward-looking and one that considers aspirations and concerns on both sides of the Atlantic. Similarly, little explicit consideration has been given to the potential impacts of European strategic autonomy efforts falling short of their objectives. This RAND-funded study is intended to fill in these gaps in analysis, doing so from a transatlantic perspective to capture the positions of various EU, NATO and US experts and stakeholders.

Specifically, this study focuses on answering the following research questions (RQs):

[22] See NATO (2020) and https://www.nato.int/nato2030/.

[23] NATO (2020).

[24] See NATO (2021); The Secretary General helped shape the NATO 2030 agenda, but the member governments will determine the new Concept.

[25] EUISS (2021).

[26] See Biscop (2018); Biscop (2020a); Biscop (2020b); Tocci (2021); Lippert et al. (2019), Fiott (ed.) (2021).

Box 2. Research questions

1. How might European strategic autonomy in defence be realised in the next four-five years?
2. What implications do different 'futures' of European strategic autonomy in defence have for NATO, the U.S. and EU relations?
3. What specific challenges and opportunities might each 'future' present for NATO, the U.S. and the EU?
4. In what ways could NATO, the U.S. and the EU mitigate the challenges raised by different future realisations of European strategic autonomy in defence?

1.3. This study uses a scenario methodology to provide a unique, futures-focused assessment of European strategic autonomy implications

This study provides a futures-focused assessment of the concept of European strategic autonomy in defence that is centred around the development of three logically consistent possible 'futures' or scenarios. These hypothetical 'futures' were then used as tools for engagement with senior interviewees from across the transatlantic community to identify implications of each possible future for the relationships between the EU, NATO and the U.S. A list of organisations consulted is included in Annex C.

The study methodology involved four main tasks:

- First, the team conducted a **review of the available literature** on European strategic autonomy to help provide an understanding of its origins, the wider background of collective defence in Europe, and the factors that shape defence policy and official views on strategic autonomy more broadly.
- Second, the study team **developed scenarios** that illustrate how EU defence consolidation might play out (or not) in 2025; in other words, what the different future versions of European strategic autonomy might look like. These scenarios are not forecasts. Instead, they seek to present three distinct, possible futures of the EU's shared defence and security structures. They were developed using a hierarchical cluster analysis methodology that involved analysing various factors that could impact upon strategic autonomy, defence and society more widely over the next five years. The scenario development process is explained in detail in Annex A.
- Third, the team **engaged with senior government, EU and NATO interviewees** on both sides of the Atlantic, presenting the scenarios to them, and eliciting their views and reactions to identify the concrete implications of European strategic autonomy for EU, NATO and US relations. In total, the study team interviewed 27 individuals based in Europe and the U.S.; 18 interviewees working for Europe-based organisations are referred to as 'European interviewees', with 9 interviewees working for US-based organisations referred to as 'US interviewees' throughout the report.
- Finally, the team conducted an internal **expert workshop** to synthesise the key findings and identify policy options to enhance the benefits and mitigate the risks arising from each of the different potential future visions of European strategic autonomy.

Two main caveats should be noted in relation to this study, namely:

- The future is inherently uncertain and unexpected political, social, economic, environmental or other developments may shape the trajectory of European strategic autonomy in unanticipated ways even in the short time period covered by this study (until 2025). This study does not make any predictions as to what the future of European strategic autonomy will look like. Rather, through use of scenarios, this study explores the implications of different possible realisations of European strategic autonomy, different elements of which are more or less likely to come true.
- This study relies on consultation with senior experts from a range of organisations and roles. Evidence gathering through interviews always involves an element of subjectivity. The team sought to engage a variety of relevant organisations to cover a broad range of perspectives. Despite this, the perspectives covered in this study are by no means the only valid ones.

1.4. This report has five chapters presenting the study's findings and policy options

In addition to this introductory chapter, the report comprises:

- **Chapter 2** provides an overview of European defence integration and consolidation, contextualising the concept of European strategic autonomy.
- **Chapter 3** describes possible future scenarios of future European strategic autonomy in defence, generated through the scenario methodology and interviewees' reactions to these.
- **Chapter 4** discusses the implications of these possible future scenarios.
- **Chapter 5** concludes by summarising the key points and outlining policy options for different EU, NATO and US actors to consider in order to maximise the benefits and mitigate the risks that emerge in relation to the realisation of European strategic autonomy.

These core chapters are supplemented by three annexes:

- **Annex A** provides a detailed overview of the scenario methodology employed by the study team.
- **Annex B** provides a detailed version of each of the future scenarios.
- **Annex C** provides the list of organisations from which senior experts were consulted for this study and the interview protocol used to guide these discussions.

2. A brief overview of European defence integration

This chapter provides an overview of the history of EU defence integration to set the scene for further discussions about European strategic autonomy and their potential outlook. Dozens of books and reports have been written about the path of European defence integration and provide a much more exhaustive analysis of the subject.[27] The aim of this chapter is not to replicate these but, rather, to highlight the most prominent developments on the journey towards greater integration. These are meant to help explain the path trodden so far and how they relate to the evolving concept of European strategic autonomy.

2.1. European defence integration had an early start, but its ups and downs bode for an uncertain future of European strategic autonomy

European defence integration after the end of WWII

In the aftermath of World War II, France and West Germany sought to expand European integration to the area of defence, in parallel to the creation of the North Atlantic Treaty Organisation (NATO) in 1949. From 1950 to 1954, several steps were taken to advance European integration. In 1952, the European Coal and Steel Community (ECSC) was established at the initiative of Jean Monnet, head of France's economic planning commission and champion of European integration who also pushed for the creation of a **European Defence Community (EDC).**[28] The EDC was put to negotiations in the ECSC in 1951 as the means to create a European army at the supranational level.[29] The EDC would be led by a European Defence Minister, who would head a European Defence Council, and would financially rely on a budget funded by the six then member-states[30] alongside a European procurement programme.[31] The EDC was presented as an additional silo, parallel to economic integration, and as a means to oversee and neutralise the potential risks of West Germany's rearmament (pushed by the U.S. to deal with the Soviet threat) only several years after the end of WWII.[32]

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[27] To mention a few published in the last decade: Serrano et al. (2020), CSDP in 2020; Biscop, Coelmont (2012), Europe, Strategy and Armed Forces: The making of a distinctive power; Michael E. Smith (2017), Europe's Common Security and Defence Policy; Capacity-Building, Experiential Learning, and Institutional Change; Howorth, Joylon (2014), Security and Defence Policy in the European Union.

[28] European Commission (n.d.a); Toute l'Europe.eu (2013).

[29] European Defence Agency (n.d.).

[30] Belgium, France, Germany, Italy, Luxembourg and the Netherlands were the first European member-states.

[31] European Defence Agency (n.d.).

[32] European Parliament (2018).

The Treaty creating the EDC was signed in May 1952 by the six nations.[33] However, in 1954 the French Parliament opposed the ratification of the treaty. The debate surrounding the EDC had crystallised deep opposition among French legislators, not least due to concerns over US-backed encroachment on French sovereignty, which was unacceptable after France's experience of defeat and occupation in World War II.[34] Given that parliamentary ratification by all six founding countries was required, European defence integration suffered a major setback.

That same year, the **Western European Union (WEU)**[35] was created as an institutional framework for security and defence cooperation among its member-states.[36] Yet with the dominance of NATO in European security during the Cold War, the WEU's role and influence remained marginal.[37]

Establishing a common defence policy

Following the failure of the EDC, European integration focused primarily on economic issues. The breakout of the crisis in the Balkans in 1991 brought European defence back as a forefront issue and revealed the lack of unity amongst European capitals, with Europe perceived to be backsliding on its widely publicised values. This was combined with awareness of Europe's dependency on the U.S. and NATO for both territorial defence and crisis management in its neighbourhood, and a desire to define a new strategic approach in a post-Cold War world.[38] The incoherence of European intervention in the Balkan crisis acted as a wakeup call for European states, highlighting the need to establish a common defence and foreign policy.[39] In 1992, the WEU defined the so-called 'Petersberg tasks' for which military force under a European banner could be employed. They included humanitarian or evacuation missions; peace-making and crisis-management operations as well as peacekeeping missions.[40]

The implementation of the **Common Foreign and Security Policy (CFSP)** as the second pillar of the Maastricht Treaty in 1992, the founding document of the European Union (EU), helped to revive the 'European defence project' and laid the ground for development of a common defence policy.[41] The 1998 Anglo-French Saint-Malo declaration constituted an important further step as the UK decided to participate in the CFSP.[42] The declaration called for deepening military cooperation among European states and development of both a common defence policy and decision making structures to enable the EU to take autonomous action and assume its full international role.[43] Consensus around the development of the EU as an autonomous international military actor alongside NATO was reaffirmed during the 1999 Cologne

[33] European Defence Agency (n.d.).

[34] Kergoat (2004).

[35] Belgium, France, Germany, Italy, Luxembourg the Netherlands, and the UK were the founding members of the WEU. Portugal and Spain joined in 1990, Greece in 1995.

[36] Bailes & Messervy-Whiting (2011).

[37] European Defence Agency (n.d.); Bailes & Messervy-Whiting (2011).

[38] European Defence Agency (n.d.); Le Gleut & Conway-Mouret (2019).

[39] Le Gleut & Conway-Mouret (2019).

[40] Le Gleut & Conway-Mouret (2019); French permanent representation to the EU (2019).

[41] European Parliament (2018).

[42] King (2005).

[43] European Defence Agency (n.d.); Le Gleut & Conway-Mouret (2019); Irondelle & Vennesson (2002).

European Council.[44] At the Helsinki Council later that year, EU leaders agreed to develop by 2003 the capability to deploy an independent European military force of up to 50 to 60,000 personnel.[45]

To bring the new **Common Security and Defence Policy (CSDP)** to life, some structural arrangements were to be made through the creation of new permanent structures within the EU. As a result, the **Political and Security Committee (PSC)** was created to maintain oversight on international relations and crises and provide political and military expertise.[46] The PSC is composed of ambassadors and facilitates crisis-management in a preparatory role[47] and is advised by the **EU Military Committee (EUMC),** composed of military representatives at the Chief of Defence (CHOD) level.[48] [49] The EUMC oversees the work of the **EU Military Staff (EUMS)** that provides military expertise and includes a Situation Centre.[50]

In 2009, a new treaty amending both the Maastricht Treaty of 1992 and the Treaty of Rome of 1958 came into force.[51] 'The Treaty on the Functioning of the European Union', known as the **Lisbon Treaty**, strengthened the CSDP, and established the EU External Action Service (EEAS) as well as the position of High Representative for Foreign Affairs and Security policy. This at the same time strengthened the EU's foreign policy tools and opened a possible way towards common military forces if/when states desire to pursue such efforts in the future.[52] Under this updated version of a defence and security policy, the EU also included a mutual defence clause, binding member states to provide 'aid and assistance by all means in their power' to a victim of armed aggression, but stopping far short of creating the various command structures that NATO has to implement the analogous Article 5 of the North Atlantic Treaty.[53] As such, despite these reforms, the EU does not yet represent a military alliance or a practical framework for generating and commanding a large multinational force to defend Europe's collective security.

EU strategy in defence and security

The annexation of Crimea by Russia and onset of conflict in eastern Ukraine in 2014 provoked growing recognition of the need to enhance military spending, readiness and capabilities for territorial defence in Europe itself, after a decade focused on out-of-area operations in Afghanistan and Iraq. At the same time, the EU had continued to expand its membership eastwards and take steps to deepen integration across almost all areas of policy, both internal and external.

[44] European Council (1999a); EEAS (2016b).

[45] European Council (1999b).

[46] EEAS (2016b); EEAS (2016c); Irondelle & Vennesson (2002).

[47] EEAS (2016b); EEAS (2016c).

[48] The permanent Military Representatives often represent their respective CHOD, see European External Action (n.d.).

[49] EEAS (2016b); EEAS (2016c).

[50] EEAS (2016b); EEAS (2016c).

[51] EEAS(2016c); European Parliament (2018).

[52] European Parliament (2020a).

[53] Drent (2018); European Parliament (2018).

In this context, in June 2016 the EEAS published the 'Global Strategy for the European Union Foreign and Security Policy', known as the **European Union Global Strategy (EUGS),** establishing five priority areas to strengthen the EU defence and security policy[54]:

- The Security of the Union.
- State and Societal Resilience to East and South.
- An Integrated Approach to Conflicts and Crises.
- Cooperative Regional Orders.
- Global Governance in the 21st Century.

Following the unveiling of the EUGS and the inclusion of security and defence as one of the EU's top priorities, several actions were undertaken. The decision of the UK to leave the EU following a referendum later in June 2016, and the election of Donald Trump to the US presidency in November of that year arguably surprised leaders on both sides of the Atlantic. Both events added further impetus to efforts to increase the level of ambition of EU integration and demonstrate the continuing vitality of the Union in the face of the departure of one of its biggest and most influential member states and an increasingly unreliable US ally.[55]

An implementation plan for the EUGS was proposed by the EU High Representative for Foreign Affairs and Security Policy and adopted in December 2016 by EU leaders, while the Commission also adopted a **European Defence Action Plan**.[56] Both plans aimed to strengthen the EU's defence and security sectors as the strategic environment evolves, as well as to implement the level of ambition set out in the EUGS through deeper cooperation, pooling and sharing of resources, increased joint capabilities and a stronger defence sector.[57] As part of this global approach, NATO and the EU signed a joint declaration in 2016, articulating an ambition to 'give new impetus and new substance to the NATO-EU strategic partnership'.[58]

Developing European military capabilities

While the idea was already present in the initial EDC in the 1950s, the key principles and mechanisms to support the development of military capabilities among EU member states were established in the last 20 years.[59] These reflect the fact that a more unified, harmonised and collaborative approach to capability development is necessary if EU member states are to effectively contribute to military operations – whether under a NATO or EU banner – and if they are to provide any meaningful contribution to burden sharing with the U.S. The creation of the **European Defence Agency (EDA)** in 2004 was the result of advocacy by key EU member states since the Saint-Malo declaration, as well as a lobbying campaign from defence

[54] EEAS (2016a).

[55] Black et al. (2017).

[56] Mills (2019a).

[57] European Council (2016); European Commission (2016).

[58] NATO (2016).

[59] European Defence Agency (2018a).

companies towards the establishment of an EU armament agency that would help strengthen European defence industry and technology sectors.[60]

The **Capability Development Plan (CDP)** was established in 2008 and consolidated in 2018 following the launch of the EUGS, in order to create a planning and decision making support tool that gives an overview of EDA participating member states [61] capabilities and identifies their needs for the short-, mid- and long-term.[62] The 2018 EU Capability Development Priorities were adopted to act as a baseline for further joint military capability development efforts.[63] The EUMC, the EUMS and the EDA provide insight and guidelines in identifying shortfalls and further opportunities.[64] The CDP is also established in consultation with NATO's planning process, with NATO officials also participating in EDA table-top exercises.[65]

If the CDP was coined as a decision support tool, the **Coordinated Annual Review on Defence (CARD)** serves as a 'pathfinder'[66] to enhance cooperation among participating member states. The CARD, created in 2018[67] was put under the leadership of the EDA, and serves to maintain oversight on defence spending, research and investments across participating member states and ensure continuity between priorities set by the CDP and the strengthening of cooperation opportunities across Europe. This review is conducted on a voluntary basis.[68] The main goal of the CARD is to increase coherence and coordination among participating member states.[69] A two-phased trial run was conducted in 2017 and the first full review was completed at the end of 2020.[70] The data showed an increase in defence spending across European nations as well as in cooperative capability developments; however, cooperation in technology research remained quite low.

The development of a **Permanent Structured Cooperation (PESCO),** which has become the cornerstone of European defence consolidation within the EU in the last few years, was activated in 2017 and implemented in 2018.[71] PESCO was initially coined and included in the Lisbon Treaty in order to coordinate military capabilities development at the European level to be used in EU military operations.[72] In practice, it has emerged in recent years as a vehicle for a subset of EU member states to push ahead with deepening cooperation in ways that go beyond the political consensus across all member states. This framework for cooperation among the more ambitious EU member states is legally binding, with the aim to develop

[60] European Defence Agency (n.d.).

[61] EDA participating member states include EU member states except Denmark.

[62] European Defence Agency (2018b).

[63] European Defence Agency (2018b).

[64] European Defence Agency (2018b).

[65] European Parliament (2020b); European Defence Agency (2018b).

[66] Van Reybroeck (2019).

[67] Van Reybroeck (2019).

[68] Mills (2019a).

[69] Van Reybroeck (2019); Mills (2019a).

[70] Van Reybroeck (2019); Mills (2019a).

[71] Biscop (2020); EEAS (2019).

[72] EEAS (2019).

common defence capabilities.[73] The EEAS, the EU member states and the EDA are the three components of the PESCO Secretariat, the latter two providing assessments of operational and capability developments while the former acts in a coordinating capacity.[74] PESCO consists in developing joint capabilities through a wide range of projects among the 25 participating member states[75] under the authority of the European Council.[76]

Since March 2018, 47 PESCO projects have been launched, and spread across Training and Facilities; Land, Formations, Systems; Maritime; Air and Systems; Enabling, Joint; Cyber and C4ISR, and Space.[77] Despite PESCO's ambition to cover the full spectrum of military capabilities, some commentators have been critical, stating that PESCO projects have reflected what member states were willing to take part in (and could afford) as a minimum common ground.[78] In other words, PESCO projects so far have been seen as focusing on the lower-end capabilities, augmenting capabilities that participating member states already have rather than aiming to fill critical gaps in warfighting capabilities.[79]

Finally, another important step in developing defence and military capabilities at the EU level has been the implementation of the **European Defence Fund (EDF)** that was created in 2017 to address collective shortages in defence procurement and research.[80] Currently, EU member states each pursue their own capability development and acquisition programmes primarily on a national level, leading to fragmentation, duplication of effort, industrial inefficiencies and reduced interoperability. The EDF aims to pool member states' resources to increase investment efficiency in defence capability. The EDF is significant because it is the first time that the EU budget will be used to fund defence activities explicitly, including defence research and co-funding capability development projects. The EDF uses existing budget lines within the EU budget to defence funding for the first time rather than asking for additional contributions from EU member states.[81] According to the final funding plan that was laid out by the Commission, the budget will be split between defence research projects, and subsequently co-funded capability development projects between member states. However, their financial contributions will remain voluntary.[82]

For the first phase that will run from 2021 to 2027, the EDF will account for €7.953 billion (ca $9.323 billion). The final agreed budget allocated to the EDF represents a significant decrease from the initial proposed budget of €13 billion (ca $15.24 billion) in 2018, with most defence spending in Europe still going through national budgets instead.[83] The breakout of the COVID-19 pandemic has prompted EU member states to rethink their priorities to include climate change, public health and research to the

[73] EEAS (2019); PESCO (n.d.).

[74] Zandee (2018).

[75] Denmark and Malta do not participate in PESCO, see Major (2019).

[76] EEAS (2019).

[77] EEAS (2019); European Parliament (2020b); PESCO (n.d.).

[78] Biscop (2020).

[79] Major (2019).

[80] European Commission (2019).

[81] European Commission (2019); Mills (2019a).

[82] European Commission (2018); European Commission (2019).

[83] EDA (n.d.).

detriment of European defence.[84] This decrease is likely to limit the breadth of capabilities EU member states are able to develop through the EDF.[85]

To be eligible for funding projects will require the involvement of at least three companies from at least two EU member states, or EU-based subsidiaries controlled by entities in third countries.[86] Third country involvement has been a source of considerable debate with the U.S. (and to a lesser extent the UK) and is likely to be subjected to similar rules as those established for participation in PESCO projects.[87]

2.2. Beyond EU level, bi- and multilateral efforts boost interoperability, bringing potential benefits to overall EU capabilities

In addition to these overarching EU initiatives, a number of separate bi- and multi-lateral groupings and frameworks have also emerged in the last 10 to 15 years, aiming to unite like-minded nations in pursuit of greater defence integration. This trend further confirms that EU member states and partners recognise that, individually, their defence capabilities are insufficient to independently deliver most, if not all, defence missions and that collaboration and harmonisation are necessary. Under the leadership of French President Macron, for example, the **European Intervention Initiative (EI2)** was launched in 2018 to be an agile, non-binding, voluntary forum, among the most capable European governments willing to employ their military forces, complementary both to the EU (including PESCO) and NATO.[88] The EI2 seeks to deepen cooperation in four areas: intelligence sharing and strategic foresight, planning and scenario development, support to operations and lessons learned.[89] In practice, the initiative consists of meetings between the militaries of participating member states and periodically at the ministerial level.[90]

In Northern Europe, for example, Denmark, Finland, Iceland, Norway and Sweden take part in the **Nordic Defence Cooperation (NORDEFCO**), a political and military framework that establishes cooperation in five areas: capabilities, armament, human resources and education, training and exercises as well as operations. The aim of NORDEFCO is to increase interoperability between those five members, develop a common understanding in these areas and optimise the use of their resources based on their common strategic culture.[91] In addition, members of the Northern Group, including 12 countries bordering on the Baltic or North Sea, have been working to deepen regional defence and security cooperation including on information sharing, exercises and military mobility.[92]

[84] Quintin (2020).

[85] Brzozowski (2020).

[86] European Parliament (2019).

[87] Borrell (2020).

[88] Mills (2019b); French Ministry of Defence (2018).

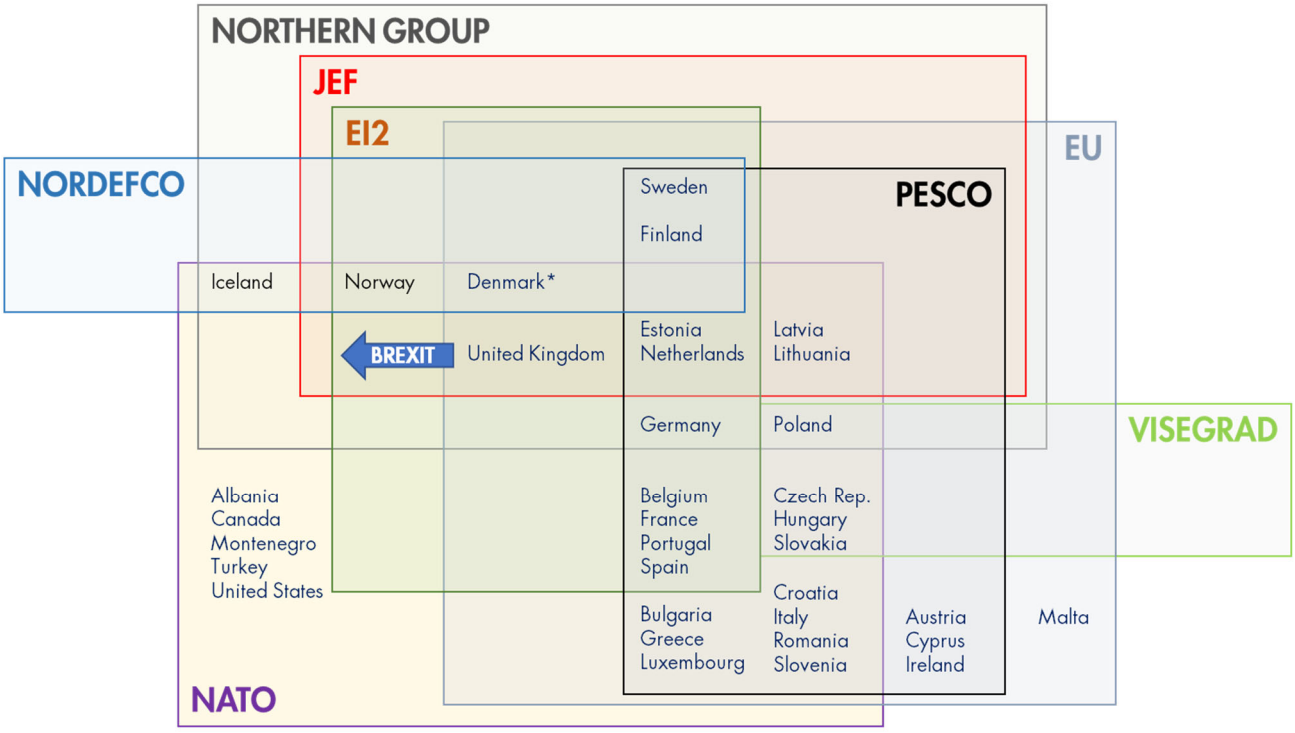
[89] French Ministry of Defence (2018); Zandee and Kruijver (2019).

[90] French Ministry of Defence (2018).

[91] NORDEFCO (n.d.).

[92] Norwegian Ministry of Defence (2020).

Figure 2.1. The plurality of European defence frameworks and their participating nations



**While it is a member of the EU, Denmark has an opt-out from participation in the EU CSDP*

Source: RAND analysis, adapted from Le Gleut & Conway-Mouret (2019).

Figure 2.1 shows just some of the defence frameworks that exist at the sub-continental level in Europe. Frameworks such as NORDEFCO or the EI2 aim to develop smaller groupings between willing European governments focused on a specific purpose or within a specific operational context. They have no stated intention to challenge or replace NATO, which remains the basis both for nuclear deterrence and collective defence. These smaller European cooperation frameworks can support the development of interoperable practices, forces and capabilities available to NATO and its operations, so long as they are pursued in harmony with NATO standards and planning and do not divert significant resources from alliance defence priorities. Some such frameworks also offer the benefit of involving non-NATO countries, and/or seek to provide 'first mover advantage' by mobilising a small number of likeminded nations to address a European crisis before political consensus can be reached on triggering a full NATO response under Article 5.

At the same time, this growing web of minilateral defence groupings increases the complexity of managing defence relations within Europe and places administrative demands on national ministries of defence (which are especially burdensome for smaller European nations with limited staff and resources). There is also a concern that many frameworks may be useful for political signalling but not well configured to deliver tangible, operational benefits. As such, there is an enduring need to scrutinise how any existing or proposed framework contributes to the ultimate objective, enhancing European and transatlantic security.

2.3. For European strategic autonomy to be an umbrella for integration, EU member states would need greater coherence in their approach

In the last five years, direct association between EU defence integration efforts (such as CDP, CARD, PESCO, EDF) and the notion of European strategic autonomy has become widespread – at least when this term is understood to mean defence and a narrower understanding of 'security' rather than, say, economic self-reliance. Yet the pace of cooperation and emergence of new structures hides a wide range of official positions held by different EU member states, and differing views and visions even within each individual nation's politics. Most notably, the views of European officials and experts differ on the question of leadership, the degree of autonomy, the desired level of the EU's ambition and the optimal balance between national and joint capability development. These various divergences, jointly, and separately, undermine the cohesiveness and therefore the feasibility and credibility of the general ambition to achieve European strategic autonomy. This section briefly outlines the issues pertaining to each of these categories of debate and disagreement.

Leadership

The most prominent advocates and protagonists of European defence integration have been France and Germany, not least due to their advanced defence capabilities and political and economic weight. However, there are divergences between these two actors.

Paris is a major supporter of the implementation of strategic autonomy at the supranational level and a de facto leader on this issue as well as the most capable military power (and only nuclear power) in the EU following the departure of the UK.[93] This is a position that has raised concern from some states – notably the Baltic states and Poland – who see the French-led European strategic autonomy as a potential competitor to the US-led NATO, whom they had historically seen as their ultimate guarantor of security.[94] Berlin has been more cautious about taking the lead in defence and security issues more generally both domestically and internationally.[95] The German federal government sees European strategic autonomy as an important objective,[96] and seeks to strengthen existing structures from within NATO and the EU.[97]

A third important player in European defence matters is the UK. Following its exit from the EU, it is unlikely that the UK will be considered as a leading nation in any EU frameworks, albeit its prominent role within the European pillar of NATO will remain (and perhaps be enhanced as the UK redoubles its efforts to demonstrate leadership within Alliance structures post-Brexit).[98] The UK remains a participant in EI2, but its participation in the EDF or some PESCO projects as a third-party state remains to be seen.[99]

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[93] Franke and Varma (2018).

[94] Järvenpää et al. (2019).

[95] Järvenpää et al. (2019).

[96] Franke & Varma (2018).

[97] Järvenpää et al. (2019).

[98] HM Government (2021).

[99] Banks (2019); see above reference.[65]

In recent years, the European Commission has also assumed a greater role in and, arguably, also control of, defence integration, beginning with the introduction of the European Defence Procurement Directive[100] and the Defence Transfers Directive,[101] followed by the Defence Action Plan[102] and the establishment of the Directorate General for Defence Industry and Space.[103] Given that, historically, EU defence matters have been strictly handled in an intergovernmental manner (i.e. outside of the remit of the Commission), these developments mark an important step change in the Commission's mandate and activity.

Characteristics of autonomy

Another contested area concerns the characteristics and functions of European strategic autonomy. A 2018 study analysing different interpretations of 'autonomy' across EU member states found that in a majority of countries (Belgium, France, Germany, Luxembourg, Poland, Portugal, Slovakia and, pre-Brexit, the UK), autonomy was seen as the ability to make decisions and exercise political will, i.e. decision making autonomy.[104] In parts of Central and Eastern Europe (Bulgaria, Czech Republic, Latvia, Romania) and Finland, European strategic autonomy is widely understood as the autonomy to take action to mobilise military and civilian capabilities.[105] In a third group of states (Austria, Croatia, Estonia and Malta) autonomy also extends to information, intelligence and data collection.[106]

Further differences in EU member states' interpretation of, and desire for, European strategic autonomy arise from some states' historical orientation towards the U.S. and NATO (e.g. many Eastern European and some Nordic countries), in contrast to a more Europe-centric leaning adopted by others (e.g. France, Germany, the Benelux countries) – a distinction referred to as the 'Atlanticist' v 'Europeanist' divide.[107] Other nations, meanwhile, are neutral and/or militarily non-aligned, as in the case of Austria, Finland and Sweden, but cooperate through the EU and may engage with NATO as Enhanced Opportunity Partners. The way in which European strategic autonomy plays out vis-à-vis NATO and to what extent the concept becomes operationalised in a way that is harmonious with NATO (as opposed to duplicative or an outright challenge) and also addresses national caveats, thus become important factors shaping the appetite for European strategic autonomy in the first place. The implications of the possible ways in which European strategic autonomy may unfold in the near future are the subject of Chapters 3 and 4.

Level of ambition

Conceptions about the scope of European strategic autonomy range from EU member states' increased capacity to undertake limited crisis response missions at their periphery and initiate Europe's territorial defence, to a fully autonomous European pillar capable of undertaking extensive crisis response missions

[100] European Commission (2009a).
[101] European Commission (2009b).
[102] European Commission (2016).
[103] European Commission (n.d.b).
[104] Franke & Varma (2018).
[105] Franke & Varma (2018).
[106] Franke & Varma (2018).
[107] Stahl et al. (2004).

autonomously, potentially with an independent nuclear deterrent, and implementing a robust European territorial defence. The achievement of the latter would rebalance the asymmetrical transatlantic security relation in place since 1949 towards a more symmetrical relationship with the U.S.

The 2016 EUGS established European strategic autonomy as an ambition for the EU and specifies that 'an appropriate level of ambition and strategic autonomy is important for Europe's ability to promote peace and security within and beyond its borders'.[108] Five levels of geographic ambition can be distinguished: the EU's neighbourhood, i.e. Eastern Europe, the Middle East and North Africa; Europe's broader neighbourhood including sub-Saharan Africa; global reach; territorial defence; and an 'other' category that includes cyber and space.[109] Based on the 2018 survey cited above, a majority of officials and experts in 24 EU member states[110] believe that the level of ambition should focus on the EU's neighbourhood, while 12 states within that group, along with Italy and Romania, go one step further to also include the broader neighbourhood.[111] Territorial defence is level of ambition with strong support in Austria, Belgium, Bulgaria, Cyprus, Estonia, Finland, Germany, Greece, Latvia, Luxembourg and the UK.[112]

Since the Lisbon Treaty has introduced a clause for mutual defence in its article 42.7, collective defence fits within the scope of operational ambition that the EU would need to fulfil to achieve European strategic autonomy but the reality is that, without NATO, the current military capabilities and command structures available to the EU member states would be insufficient to carry out such operations.[113] In parallel, the EUGS has established crisis-management and capacity building as the (more realistic) practical baseline for external EU operations.[114] As of mid-2021, the clearest articulation of the EU's ambition, vision and means for delivering them is expected to be spelled out in the upcoming Strategic Compass. If it delivers what it promises, there should be a mutually agreed articulation of the strategic ambition of the EU in defence drawing on national inputs and strategic documents.[115] As such, if successful and accepted by the member states, the Strategic Compass could help improve the prospects of European strategic autonomy.

Level of joint capabilities

One of the other underpinning components of European strategic autonomy resides with EU member states' individual and joint ability to develop the capabilities they need to reach their target level of ambition. The basic premise is that the whole (i.e. EU) is greater than the sum of its parts (i.e. individual member states' capabilities and efforts). Achieving European strategic autonomy in terms of joint capabilities would

[108] EEAS (2016a).

[109] Franke & Varma (2018).

[110] Italy, Greece, Latvia and Romania do not think that the geographical level of ambition should be on the EU's neighbourhood. See Franke & Varma (2018).

[111] Belgium, Czech Republic, Denmark, France, Ireland, Lithuania, Luxembourg, the Netherlands, Portugal, Slovakia, Sweden and the UK put the level of ambition on the EU's immediate neighbourhood and the broader region. See Franke & Varma (2018).

[112] Franke & Varma (2018).

[113] Franke & Varma (2018); Järvenpää et al. (2019).

[114] EEAS (2016a).

[115] EEAS (2021); EUISS (2021).

also mean for EU member states to decrease their reliance on the U.S. or other external sources (e.g. Israel, Turkey) for defence equipment, technology, support systems, spares and R&D.

The implementation of PESCO and the EDF to develop joint capabilities though pooling and sharing mechanisms at the EU level underlines the EDA participating member states' willingness to consolidate European defence.[116] These initiatives aim at filling the gaps in defence capabilities that would be necessary for European states to conduct autonomous missions and operations.[117] The creation of DG DEFIS also sends a strong message that Brussels is putting defence issues and procurement at the forefront of EU issues for the first time.[118] Some critics in the United States and in some European states generally sceptical about European strategic autonomy, such as Poland and the Baltic states, have warned against the expansion of the concept to the military-industrial complex and argue that PESCO projects funded through the EDF could raise concerns in terms of interoperability within NATO and trigger competition across the Atlantic.[119] On the other hand, Europeans supportive of the idea argue that a stronger European defence would be highly beneficial to the United States and NATO because it would improve the Alliance's overall readiness and also spread burden sharing more evenly across NATO allies.[120] Currently, European NATO members are unable to cover the scope of actions that would allow them to defend themselves in the event of a major conflict without US (and to a much lesser extent Canadian) support.[121] When taking out non-EU countries from the equation, most notably the UK but also Turkey, this shortfall becomes more dire still. It is estimated that it would take a couple of decades for European NATO allies to reach the necessary maturity of defence capabilities and structures.[122]

[116] Shevin-Coetzee (2019), See Section 1.2.2 Developing European military capabilities.

[117] Järvenpää et al. (2019).

[118] Gotkowska (2019).

[119] Järvenpää et al. (2019); Chazan & Peel (2019).

[120] Lippert et al. (2019); Brustlein (2018).

[121] Major (2019).

[122] Barrie et al. (2019).

Box 3. Summary of Chapter 2

Since the end of World War II, European governments have launched numerous initiatives to increase their defence capabilities and reduce their dependence on the U.S. to underwrite European security. Despite the creation of various structures and cooperation frameworks in the last several decades, Europeans still lack the capability to respond effectively to the full spectrum of threats they are facing, especially the prospect of large-scale warfighting and threats to territorial defence. Differences in leadership, strategic approaches, ambitions and military capabilities have slowed down efforts to achieve greater European defence integration.

More recently, the emergence of the European strategic autonomy concept and its growing frequency of use in political discourse within EU institutions and member states have prompted attempts at articulating a clearer vision of the end goal of European defence integration. Yet the concept is wrought with varying (sometimes conflicting) interpretations.

The substance of European strategic autonomy is also perceived differently by individual EU member states and externals, including the U.S. and, after Brexit, the UK. These differences have sometimes triggered tensions on both sides of the Atlantic: while the U.S. demands increased burden sharing within NATO, there are concerns that the pursuit of European strategic autonomy through EU initiatives could damage NATO's capacity to deal with emerging threats if the two institutions' strategic ambitions do not align.

3. Possible futures of European strategic autonomy in defence

This chapter summarises the three scenarios developed by the study team and outlines key findings from the expert engagement on the plausibility of these scenarios and the benefits and challenges they present. This chapter is accompanied by Annexes Annex A, Annex B and Annex C, which provide further details on the scenario methodology (A), the detailed content of each scenario (B) and the interview process (C). Unless otherwise stated, findings presented in this chapter rely on the evidence base collected through expert interviews.

3.1. Scenarios illustrate potential futures of European strategic autonomy

The core component of this study was the development of logically consistent possible futures of European strategic autonomy to stimulate reflection from interviewees on future paths that this concept could take. Annex A provides a detailed description of how these were developed. In summary, this involved five steps:

1. Identification of a long list of factors that could play a role in influencing the concept of European strategic autonomy out to 2025.
2. Shortlisting of factors through influence analysis to determine which are most relevant to explore.
3. Identification and application of projections – i.e., possible futures – for each of the shortlisted factors to be included in the analysis.
4. Engagement with experts to conduct the consistency analysis to identify projections that are logically consistent and hence can take place simultaneously in a scenario.
5. Generation of clusters of consistent projections and down selection to three scenarios that cover the breadth of possible futures and can be meaningfully explored in a short interview format.

The outcome was three scenarios as summarised in Table 3.1 and described below. These are not forecasts. Instead, they present a spectrum of futures that could happen by 2025. These are not 'ground-breaking' – and are not intended to be so – but, rather, represent three basic trajectories from the status quo:

- **Scenario 1:** A state of affairs where current trends are intensified, and EU defence integration is strengthened in support of strategic autonomy aligned to greater EU-NATO collaboration.
- **Scenario 2:** A state of affairs where EU defence integration is deprioritised and where divisions and disagreements among EU member states hamper progress towards European strategic autonomy.

- **Scenario 3:** A state of affairs where European strategic autonomy assumes greater focus on EU defence integration in ways that are not oriented towards complementarity with NATO.

Table 3.1. Overview of scenarios

	SCENARIO 1	SCENARIO 2	SCENARIO 3
	'A true European pillar of NATO'	**'European defence integration falters; transatlantic fragmentation'**	**'A strong Europe goes its own way'**
Level of conflict in the world	Increases	Decreases	Increases
European decision making	Led by France, Germany, UK Cohesive	Fragmented No UK involvement post Brexit	European Security Council set up with permanent and rotating seats
NATO-EU complementarity	Increases	Decreases	Decreases
Perception of the U.S.	U.S. perceived as a reliable ally	Mixed	Perception that the U.S. cannot be relied upon
National defence spending of European nations	≥2% GDP	Decreases	Increases but most countries do not meet 2% GDP target
Integration and interoperability of European capabilities	Increases	Decreases	Increases
Third party access to EU defence market	Increases	No change	Decreases

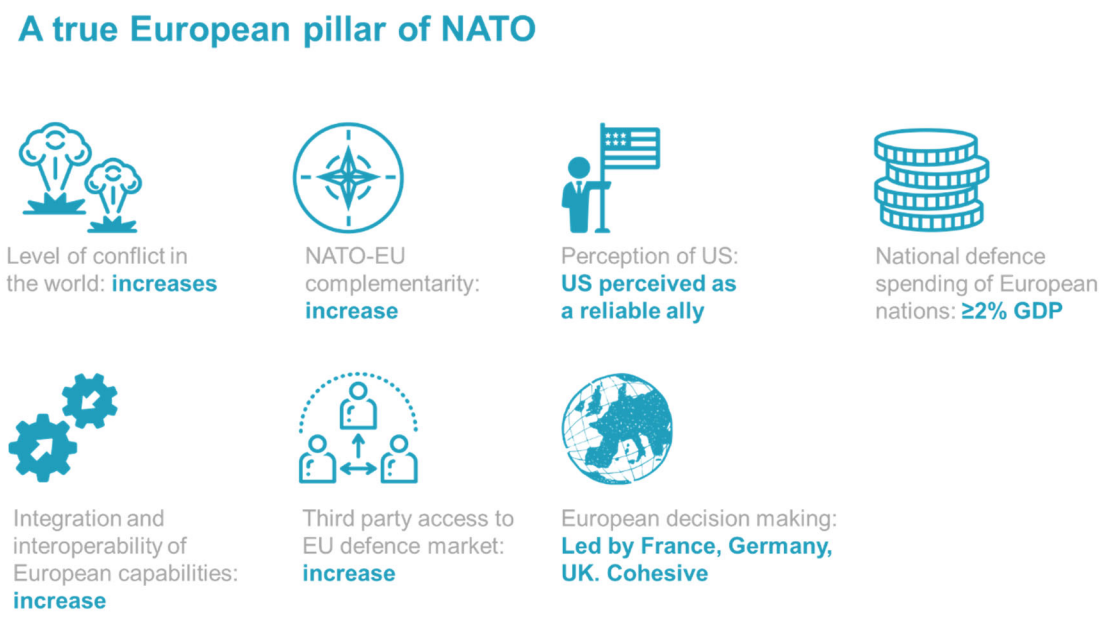
Source: RAND analysis of scenario generator software outputs.

Scenario 1: A true European pillar of NATO

In the first scenario, endeavours by participating governments to pursue European strategic autonomy, including the growth of PESCO, expansion of the EDF and the growing role of EU structures and initiatives, have strengthened EU defence integration. This has led to enhanced military interoperability and progress on defence industrial cooperation and has been accompanied by cohesive strategic decision making led by France, Germany and, aiming to repair the relationship post-Brexit, the UK, as well as the pursuit of a broader range of missions in neighbouring areas under the CSDP remit. These are perceived by the U.S. and others allies as effective complements to NATO's core tasks and a contribution to burden-sharing. As a result, European governments and EU structures have been able to maintain a good working

relationship with NATO as a whole and deepen domestic support for European defence cooperation. An overview of this scenario is provided in Figure 3.1.

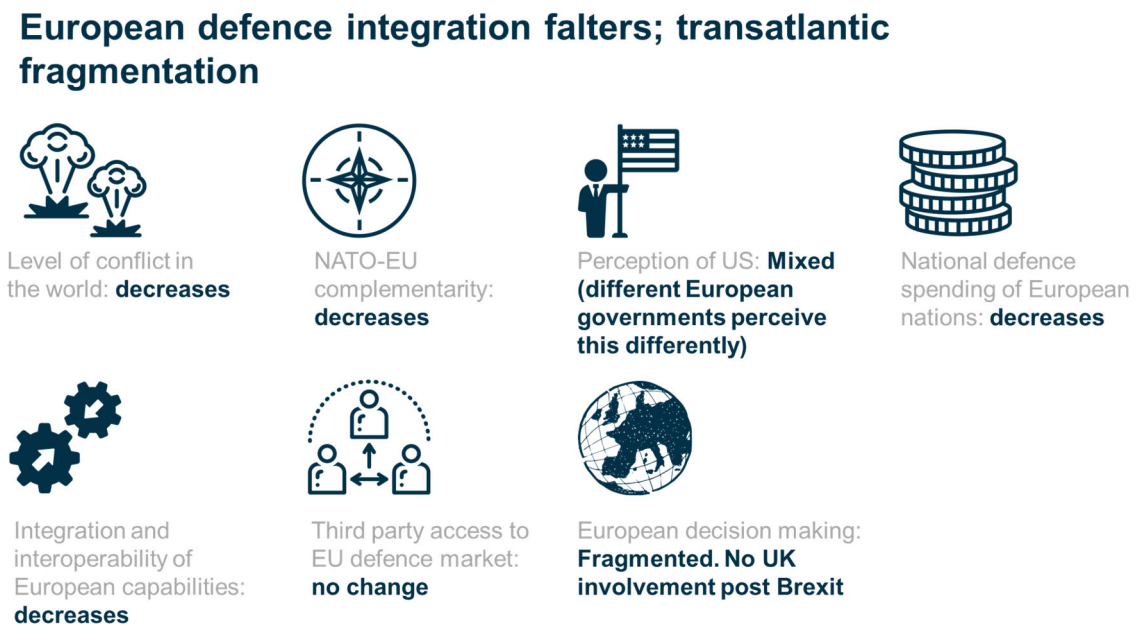
Figure 3.1. Scenario 1: A true European pillar of NATO



Scenario 2: European defence integration falters; transatlantic fragmentation

In the second scenario, ambitions for European strategic autonomy have foundered and amounted to very little practical progress in 2025 amid transatlantic fragmentation. General disillusionment with the European project, lack of leadership, tight budgets and a fragmented approach to European defence have led to decreased interest in European defence matters. With conflict levels down, there has been less impetus to spend a significant amount of resources on defence and security; indeed, funding has focused on other sectors, such as healthcare and infrastructure post-COVID-19. Efforts to integrate European defence capabilities have been curtailed across Europe, and EU common funds for defence have decreased. These trends have resulted in fewer collaborative procurements, a decline in interoperability and diminished military capabilities overall. Some European countries have refocused their political energy and defence resources on NATO and closer cooperation with the U.S.; others have not. A unifying EU-voice in defence and security is weak, if not absent, making it difficult to achieve EU complementarity with NATO. An overview of this scenario is provided in Figure 3.2.

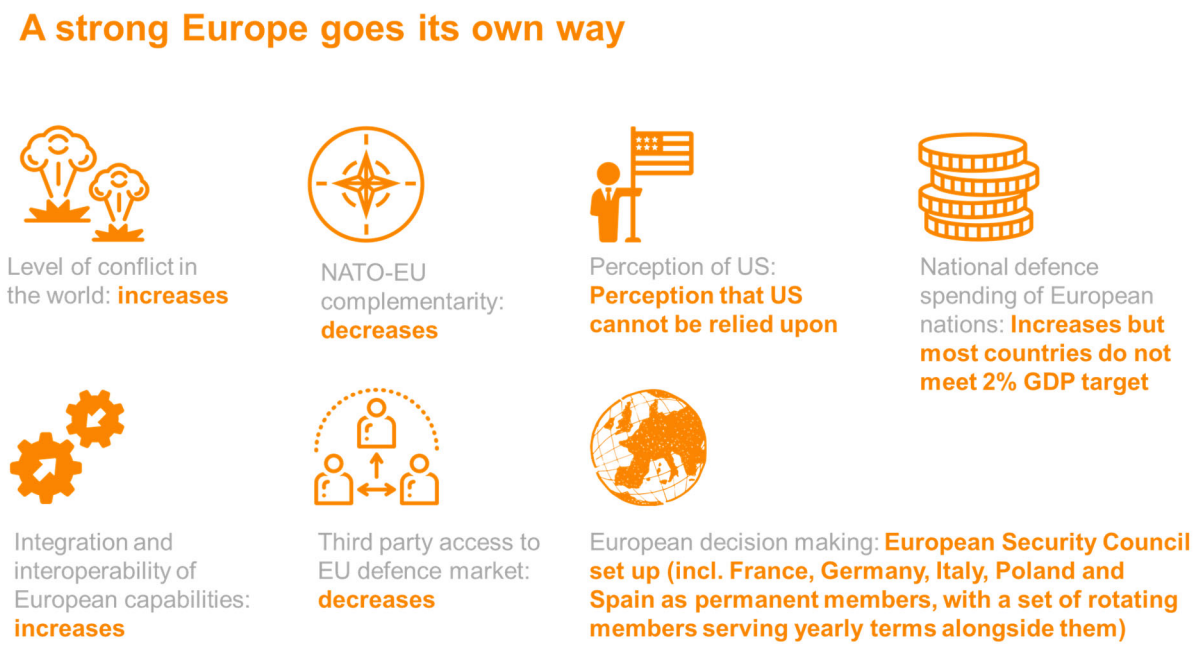
Figure 3.2. Scenario 2: European defence integration falters; transatlantic fragmentation



Scenario 3: A strong Europe goes its own way

In the third scenario, practical steps have been taken to implement European strategic autonomy by 2025. Most European governments have increased their military capabilities, deepened joint military planning, and expanded defence industrial cooperation given the rapidly increasing range of threats facing the EU. The newly established European Security Council, with permanent and rotating members (including the UK) drives coherence in policy direction and prioritisation of efforts and is providing an effective strategic direction for all EU member states. Deteriorating European confidence in the United States and the country's own shift towards the Indo-Pacific has also strengthened the European project as leaders of EU member states as well as EU institutions no longer have the appetite to rely on the U.S. as a security guarantor. The success of European strategic autonomy has led to divergent European priorities vis-à-vis the NATO defence planning process and diminished participation in NATO exercises and initiatives. An overview of this scenario is provided in Figure 3.3.

Figure 3.3. Scenario 3: A strong Europe goes its own way



3.2. Interviewees diverged on the question of plausibility, resulting in varied perspectives on prospects for European strategic autonomy

Interviewees expressed a range of views on the plausibility of these different indicative scenarios, often reflective of their subjective perception of the likely success of European defence integration.

Scenario 1 was seen by the majority of interviewees as plausible, with a third of the interviewees considering it to be the preferred option as well. Two interviewees noted that it could act as a precursor to Scenario 3. However, at the same time, they acknowledged that its likelihood of materialising hung in the balance due to various uncertainties in the next five years, including: electoral outcomes, the relationship between the EU and the UK, and budgetary pressures in the post-COVID recovery. Arguably, the very same factors are also likely to influence the likelihood of the other two scenarios materialising.

A clear divergence of views on both sides of the Atlantic was visible in the discussions of **Scenario 2**, with six US interviewees considering this future to be the most plausible and most likely in the next five years, primarily due to the patchy track record of European defence integration to date (see Chapter 2 for detail). On the other hand, European interviewees saw this scenario as plausible in principle but unlikely given the ongoing momentum behind EU defence integration initiatives and a renewed interest in transatlantic cooperation expressed by the new Biden administration. Where European interviewees viewed this scenario as plausible, it was because they expressed concerns that the lasting economic effects of the COVID-19 pandemic may strain EU member states' ability to invest in defence, exacerbate existing political divisions and introduce tensions to the transatlantic relationship. Three interviewees commented that in some ways, this scenario was the easiest to 'drift into' as it implied minimal to no action on EU defence integration, while the other two scenarios required greater political and resource commitment – which not all member states would be willing to give during a turbulent time of post-COVID recovery.

Finally, **Scenario 3** solicited some degree of agreement among interviewees on both sides of the Atlantic, being perceived as fairly implausible, though for different reasons. Some felt that the strong allegiance of some EU member states to the U.S. would prevent such an EU 'decoupling' from the U.S., while others thought such a move would have to be accompanied by a much greater increase in EU defence spending than foreseen by the scenario to make up for the loss of US contributions to European defence and collective security. Others still considered this scenario implausible in the short term (five years) but much more plausible further down the track – especially if a post-Biden administration reverts to similar policies and approaches adopted by the Trump administration (2017–2021) and initiates some sort of US withdrawal from Europe. One interviewee noted that while external catalysts (like the foreign policy of the U.S.) are important factors shaping European strategic autonomy, the past has shown that even 'strategic shocks' such as the Russian annexation of Crimea or indeed the election of President Donald Trump did not in fact trigger a radical shift from EU member states away from NATO in matters of defence and security.

Analysis of the responses shows different perceptions on plausibility based on interviewees' affiliation or background: more European interviewees often tended to find the first scenario plausible compared with US interviewees, whereas the contrary holds true for the second scenario. Interestingly, these are the two scenarios deemed most plausible, and yet they portray polar-opposite futures. These differences are likely to reflect the broader disagreements between experts on the likely success of the European defence integration project and the subjective judgement of interviewees on whether the current efforts in this regard constitute a break from the more anaemic past described in Chapter 2 or not.

3.3. Interviewees also discussed factors shaping European strategic autonomy, adding nuance to why it may develop in different ways

As touched upon above, while some scenarios were viewed as less plausible than others, interviewees did differentiate between the scenario as a whole being implausible while acknowledging that the progression (or evolution) of certain factors might be plausible. Some interviewees quickly observed that a distinction could be drawn between factors that the EU and its member states can directly influence in pursuit of European strategic autonomy (e.g. level of defence spending; interoperability) and those where their level of agency is more limited (e.g. level of conflict in the world or US commitment to Europe). Discussions of individual factors solicited various observations, as outlined below:

- **Level of conflict in the world**: There was strong disagreement with the assumption that levels of conflict in the world might decrease to 2025, as shown in Scenario 2, making this scenario in particular seem less plausible than the others given current trends towards increasing great power competition. On the reverse, the likely increase in the level of conflict in the world has been perceived by interviewees as one of potential drivers for greater European defence integration – especially if integration is driven from the strategic level, based on a common understanding of threats and strategic culture, and underpinned by common mitigation and response strategies.
- **NATO-EU complementarity**: A number of interviewees raised the importance of territorial disputes between Turkey and Cyprus, and, to a lesser extent, Greece in the eastern Mediterranean Sea as important factors that have regularly impeded effective NATO-EU cooperation in the past. They

noted that Turkey, an important NATO ally but not an EU member state (although a candidate to EU accession), has in the past not been supportive of greater complementarity between the two organisations. In addition, two European interviewees pointed out that despite most NATO allies also being part of the EU, on a day-to-day working level, there is often less coherence of approach than would be expected and less information-sharing than desirable.

- **Perception of the U.S.**: There was a certain hesitancy expressed by interviewees around the perception of the U.S. by European governments, driven by perceived uncertainty on the outcome of the 2024 US elections and the possible return to a foreign policy like that of the Trump administration. The majority of interviewees perceived this factor to be one of the key drivers behind the developments of European strategic autonomy – whether one that is closely aligned to NATO (Scenario 1) or one that consciously diverges from NATO (and the U.S.) and diverts defence resources towards EU-led initiatives and operations (Scenario 3). Hence, any changes in the way EU member states perceive US behaviour and commitment to European security and defence were seen as having significant impact on the European defence integration agenda and actions.
- **National defence spending of European nations**: Interviewees expressed mixed opinions regarding the future trajectory of national defence spending across the EU, especially due to the uncertain long-term impact of COVID-19. Five European interviewees stated that the effects of the pandemic would mean that nations will struggle to reach the two per cent target while three others stated that it was precisely due to the pandemic that certain countries would reach this (albeit in relative terms due to the downturn of national economies, not due to an actual increase in defence spending). Two US respondents stated that demands on European governments of responding to the pandemic would certainly delay the development of European strategic autonomy in defence or be another factor in making its realisation unlikely. Although this benchmark in and of itself is artificial and partly meaningless without understanding how the resources contribute to defence outputs (e.g. capabilities), it is still an indicator of the level of commitment NATO allies are willing to make.
- **Integration and interoperability of European capabilities**: Most European interviewees who commented on this factor noted that they expect integration and interoperability to continue and even increase – thus finding Scenario 2 implausible. Some cited the current EU efforts with the Strategic Compass and the fact there have already been investments in joint projects via PESCO as proof of commitment to pursue greater defence integration. However, five European and US interviewees noted that a decrease in defence budgets, an increase in nationalism and/or the lack of any firm outcomes from PESCO as of yet as factors that could lead to a decrease in interoperability in the future, indicating that the path towards either Scenario 1 or 3 is unlikely to be a linear one.
- **Third party access to the EU defence market**: Some European interviewees questioned the realism of different options for third party access to the EU defence equipment market, noting that access

rules have recently been set and that these are 'locked in' for the next five to seven years, for PESCO and the EDF respectively.[123] Conversely, if there is sufficient political will, these could be altered.

- **European decision making**: The European Security Council of the third scenario gathered the most disagreement amongst European interviewees. This aspect of Scenario 3 was seen as being the most implausible. Various reasons were cited, including the lack of a treaty basis for its establishment (and the low likelihood that treaties would be renegotiated any time soon); the unlikely political acceptability of a set-up whereby some EU member states have a permanent seat and some do not; and, finally, the perceived lack of realism of including the UK in any such arrangement post-Brexit. For some, it was the European Security Council that rendered Scenario 3 the least plausible, particularly due to its envisaged structure with permanent and rotating members (with the latter including the UK). Equally, without such a body it is unclear how European defence integration priorities could be organised and cohered in a way that would supplant NATO's own decision making structures.

Across the scenarios, the degree of inclusion or exclusion of the UK in decision making was questioned by several interviewees. Half a dozen European interviewees questioned the feasibility of including the UK in European defence integration projects and relevant structures in such a short time frame after Brexit, perceiving this to be politically difficult, if not impossible. However, several European and US interviewees also noted that the UK remains a key defence player within NATO with a firm commitment to upholding the security of Europe. They argued it should therefore be included in strategic dialogue with other European nations on defence as well as allowed to participate in European defence initiatives such as PESCO if these are to become effective means of increasing European military capabilities and ability to deploy in a range of operations.

3.4. A strong European pillar within NATO was largely seen as a boon, acting as a stronger ally in a tough geopolitical environment

There was overarching agreement among interviewees that Scenario 1 would bring the broadest range of benefits to NATO and the U.S. Benefits of this scenario are grounded in the assumption that EU member states would become more credible and reliable allies, able to conduct some missions independently, gradually reducing the reliance on the U.S. for guaranteeing European security. In particular, the increase in capabilities from EU member states was seen as an enabler of better political and military burden sharing. To be done effectively, however, EU's mandate and role in defence would have to be clearly defined to avoid duplication with NATO – a risk perceived by some experts as overstated, by others as very real. Such a realignment was seen as leading to additional benefits, such as better cohesion and alignment between allies on defence and security priorities accompanied by more efficient investments. This applies to both EU member states and the U.S., which would have greater ability to focus resources on the Indo-Pacific.

A stronger, more united EU – one that speaks 'with one voice' in matters of defence and security – was perceived as potentially reducing the need for bilateral dialogue between the U.S. and individual EU

[123] Borrell (2020).

member states (most notably France, Germany and Italy). Whether such dialogue would be supplanted by EU structures in the near future is unclear as is the question of whether such a proposition would be attractive in the first place (particularly for countries with strong historical bilateral links). From a US perspective, as highlighted by some of the US interviewees, having a stronger European partner in defence matters would work also as supporting the domestic argument in favour of a continuing US commitment to NATO – seeing that Europeans, too, would demonstrate substantive commitments to security in their own backyard. It should also be noted that most European nations have also supported the U.S. further afield when it, for example, invoked NATO's Article 5 following the terrorist attacks of 9/11 and initiated operations in Afghanistan and Iraq.

Furthermore, the increased cohesiveness likely to arise in a scenario of this kind was perceived by some experts to possibly spill over beyond the defence and security realm to impact other areas of policy, such as the economy or tackling global challenges such as climate change. Finally, this scenario would likely enable NATO to present a united front to potential adversaries and systemic challengers, such as Russia and China – an ambition explicitly articulated by NATO Secretary General Jens Stoltenberg and US President Joe Biden.[124]

Some European and US interviewees argued that Scenario 3 could also bring limited indirect benefits to NATO that could draw on more effective defence capabilities, yet the explicit disregard for EU-NATO complementarity would likely complicate the arrangements under which NATO could draw on EU member states' defence capabilities in practice. These tensions are explored in greater detail below.

3.5. A capable EU that disregards NATO, however, was seen as a threat to transatlantic relations, with the risk of pursuing divergent paths

Scenario 3 raised the biggest concerns for the future of the transatlantic relationship. Specifically, interviewees worried that improved European military capabilities could increasingly be used in EU missions in ways that make them no longer available to NATO at times of need. Interviewees on both sides of the Atlantic noted that a stronger Europe may mean that NATO, as presently configured, would no longer be seen as necessary. A stronger Europe that does not rely on NATO – or the U.S. – could, in their view, lead to NATO becoming weaker, less prestigious, less effective and even an 'empty shell'. Potentially, NATO could continue to exist solely as a nuclear alliance or a political 'talking shop'.

Given the historical links between the U.S. and EU member states through NATO, a conscious shift of EU member states towards greater defence and security autonomy that is not explicitly aligned with NATO would naturally have significant impact on the U.S. – Europe's key ally. Interviewees discussed a variety of implications of such a transatlantic rift, including, for example: reduced cooperation between the U.S. and the EU on matters of global security, or reduction of US influence in Europe with the potential to even isolate the U.S. or require it to look for new allies and partners as the EU and its member states bypass consultation with the U.S. Within US domestic politics, it is likely that future US administrations would struggle to justify a US military presence in Europe, undermining the US security guarantee that has been

[124] Congressional Research Service (2021).

in place since WWII (though this would be offset by an increase in the ability of Europeans to defend themselves without US support).

From an economic and defence market perspective, it is likely that a strong Europe of Scenario 3 would mean stringent restrictions on third country participation in European defence programmes and projects, restricting market access to US defence companies even further than current rules in place. Dwindling interest in NATO could similarly undermine the system of NATO standards (STANAGs) used to ensure technical interoperability among allies, with new materiel instead developed with a focus on EU standards.

3.6. A fragmented EU could weaken NATO in terms of capability but could take away perceived difficulties in EU-NATO complementarity

Just as **Scenario 2** caused some debate around its plausibility, it also generated a nuanced and varied discussion on the implications for the transatlantic relations. On the one hand, a less united EU on defence and security matters might reinforce EU member states' appetite to engage more and in greater depth on these issues within NATO instead. In short, a fragmented EU on defence means potentially less 'institutional rivalry', while noting the fundamentally different nature of NATO (being an intergovernmental organisation and a military alliance) and the EU (being a supranational as well as intergovernmental entity that entails integration of member states in a much wider range of matters beyond just defence and security). Accepting the premise that EU defence integration is necessary if member states are to strengthen their defence capabilities and become better able to deliver various missions and tasks as articulated in Chapter 2, any fragmentation of the kind outlined in Scenario 2 would likely undermine the very same defence capabilities that would be made available to NATO, given the significant overlap of membership in the EU and NATO. Thus, a weaker EU in defence would also weaken NATO in terms of the defence capabilities at its disposal.

This could have an unintended consequence of undermining the role of NATO as a key alliance to be reckoned with, when NATO members are unable effectively to mobilise their capabilities. Therefore, not only would Europe be fragmented, but so would the Alliance, with further challenges beyond military strength to consider, such as decreased joint political power on transnational issues like climate change or rogue actors like Iran or North Korea.

3.7. A fragmented Europe could also adversely impact US foreign policy ambitions, but bilateral opportunities could partially mitigate this risk

The same **Scenario 2** also solicited reflections on the impact of a fragmented Europe in defence and security matters for the U.S. and its foreign policy ambitions. If the U.S. were unable to rely on Europe to help manage security and defence challenges on the continent and in its neighbourhood, at the extreme, the US administration would either be forced to commit to act as Europe's security guarantor regardless of perceived 'free riding' or withdraw from Europe. Both options would have significant political ramifications at home and internationally as well as economic and strategic consequences. This would prompt a lack of alignment between the U.S. and the EU on defence and security matters, with the U.S. likely to shift towards bilateral deals with EU member states rather than with the bloc.

From a defence industrial perspective, a more fragmented Europe as outlined in this scenario could bring economic benefits for the U.S., if more EU member states opted to acquire US-made equipment, potentially keen to strengthen their relationship with the U.S. if the EU as a whole became less of a credible partner to lean on. However, opportunities for the US defence industry could decrease if national defence spending by Europeans declined as foreseen by this scenario, or individual EU member states took protectionist steps to support their ailing national industries in this context of falling demand.

A more fragmented Europe would also likely bolster US influence across the continent, with some EU member states likely to become more closely aligned and responsive to US strategic direction in defence and security matters. One US interviewee even mentioned that this would be the best outcome for the U.S. among the three scenarios as it would enhance relative US influence in Europe – though that would come at the expense of a reduction in burden sharing with Europeans and thus might appear a 'Pyrrhic victory'. Greater need for bilateral engagements would likely both reinforce US influence on individual EU member states and potentially lead to a shift towards engaging coalitions of the willing instead of the EU as a whole.

Finally, some interviewees also emphasised the need to consider that a more fragmented EU in defence would likely have wider geopolitical implications, with adversaries likely to seek to exploit any weaknesses of a fragmented Europe. One interviewee noted that the second scenario as well as Scenario 3 (A strong Europe goes its own way) would likely see competitors and adversaries seeking to increase their influence if either EU or NATO or both were perceived as 'empty shells', lacking strong European capabilities, coherence of leadership and clarity of ambition.

Box 4. Summary of Chapter 3

This study developed possible futures of European strategic autonomy, articulated by means of three distinct scenarios, and solicited a wide-ranging discussion among senior US and European experts.

A clear thread of optimism and renewed momentum for greater EU defence integration can be detected from interview input overall, resulting in the majority of interviewees seeing a Scenario 1 outcome as most desirable and beneficial, despite some concerns among US interviewees that greater EU strategic autonomy might diminish US influence in Europe. Whether the current momentum (demonstrated, for example, by the ongoing preparation of the EU Strategic Compass) is enough to make this scenario plausible in the next five-year time frame merited much greater scepticism from interviewees, many of whom saw the continuation of the current, more fragmented, state of affairs as much more plausible.

While a more capable Europe was largely perceived as beneficial for both NATO and the U.S., a future Europe that consciously misaligns its defence strategy, policy and capabilities from NATO could be a threat to both, undermining the credibility of the former (e.g. if EU member states refuse to commit their capabilities to NATO tasks) and introducing greater uncertainty for future strategic planning of the latter.

On the other hand, a more fragmented Europe would likely yield only limited benefits to the U.S. in terms of greater ability to influence individual EU member states but was seen to undermine NATO credibility and burden sharing (e.g. due to increased inefficiencies due to disjointed use and development of military capabilities).

4. Implications of possible futures of European strategic autonomy in defence

This chapter presents an analysis of broad implications of the different ways that European strategic autonomy in defence might materialise on the key 'actors' in focus, namely NATO, the U.S. and the EU and the relationships among them. It builds upon the discussion of the scenarios in Chapter 3 but aims to draw out overarching themes emerging from expert interviews as well as RAND internal discussions and workshop.

4.1. The lack of clarity associated with the term 'European strategic autonomy' may hamper constructive dialogue and action

As discussed in earlier chapters, the concept of European strategic autonomy is fraught with tensions and ambiguities. There are different interpretations of the word 'autonomy' (i.e. level of ambition) as well as 'European' (i.e. to include only EU member states or a broader conceptualisation of Europe that includes the UK). There are similar disagreements over how European strategic autonomy in defence fits in with the EU's wider strategic and policy ambitions in an increasingly multipolar world. Constructive efforts have been made by academics, analysts and the EU itself to better articulate what European strategic autonomy is and what it is not.[125] Yet, the fundamental differences between member states' understanding and hopes for what European strategic autonomy is and should be, are likely to perpetuate the ambiguity underpinning European strategic autonomy discussions and hamper its development.

In addition, there are varying perceptions of European strategic autonomy on the other side of the Atlantic. Some of these result in outright anxiety over perceived EU distancing from the U.S. and NATO (particularly in US policymaking and expert circles); others in scepticism related to the perceived mismatch between the stated ambitions of EU defence integration and the resources and capabilities dedicated to delivering them. The perennial focus on creating institutions and structures, as described in Chapter 2, rather than prioritising the resources and outputs that these would require to function effectively, may well undermine EU efforts at achieving European strategic autonomy and breaking some of the dependencies on critical NATO/US capabilities such as strategic lift or intelligence, surveillance and reconnaissance.

Some interviewees expressed hope that the current efforts underpinning the development of the Strategic Compass may help prompt a more unified understanding of the EU's strategic ambitions and the necessary

[125] Tocci (2021); FINABEL (2020); Lippert et al. (2019); Kempin & Kunz (2017).

means to deliver it, including in terms of the building blocks of strategic autonomy. Two US interviewees suggested that the Biden administration would be receptive to such clarity about the EU's ambitions if accompanied by credible plans to realise the requisite capabilities. Yet, in the same breath, they also pointed out the past track record in European defence integration that has, more often than not, settled on the 'least common denominator' options rather than the more ambitious and potentially more impactful ones. Indeed, much criticism has been raised more broadly around the voluntary nature of CARD,[126] the shortfall of EDF funding vis-à-vis its initial levels,[127] and the low level of ambition of PESCO projects.[128]

The impact of this dissonance between words and meaning, ambition and action is evident even in the small sample of stakeholder views this study has captured. Most, if not all, European interlocutors consulted in this study expressed a positive outlook for the underpinning building blocks of European strategic autonomy, recognising the merits of a stronger, more capable Europe that benefits both the EU's neighbours as well as its strongest ally, the U.S. Most expressed a favourable view of greater EU defence integration even though they recognised that this may not always be perceived positively by individual EU member states under the banner of 'strategic autonomy' – especially by those member states that perceive a threat of decoupling from the U.S. in pursuit of such 'autonomy'. However, several US observers expressed concerns that EU defence integration efforts may be distracted by a focus on European strategic autonomy structures, initiatives and programmes rather than solving actual security challenges. Crucially, the 'weight' of strategic autonomy initiatives, in their view, is measured by the amount of resources and 'action' allocated to them rather than their eloquent articulation.

The perceived mismatch between expectations, ambitions and actions then results in US scepticism vis-à-vis European strategic autonomy, which may fail to fully appreciate the benefits of a stronger EU ally – even if European strategic autonomy efforts themselves are far from perfect.

4.2. European strategic autonomy discussions often extend beyond 'traditional' defence and security, generating further complexity

The review of official statements and scholarly literature, as well as consultation with interviewees for this study, confirms that a much broader understanding of the scope of strategic autonomy is gaining interest in discussions within the EU. Indeed, there is a growing recognition among officials and our interlocutors that Europe's realisation of strategic autonomy goes well beyond security and defence cooperation to include common action on a much wider range of issues, entailing a securitisation of health, trade, climate, energy, technology, migration and other policy areas.

Consequently, cooperation between the EU, NATO and the U.S. on security and defence issues will have to take these broader issues into account. As noted in Chapter 3, several interviewees identified the need to develop a better understanding of which security issues are best dealt with within the confines of NATO and which, on the other hand, may be more suited for other bilateral or multilateral cooperation

[126] Zandee (2018); Biscop (2017a).

[127] Tocci (2021); Biscop (2017a); Zandee (2018).

[128] Tocci (2021); Biscop (2017a); Zandee (2018).

mechanisms. Indeed, NATO has been perceived as a critical tool/avenue for defence collaboration, while wider engagement between the EU and the U.S. in relation to other 'soft' security and sovereignty challenges (e.g. economy, trade, critical infrastructure, climate change) may require different mechanisms be put in place. The broader focus of European strategic autonomy means that success or failure of strategic autonomy in one area may or may not result in similar outcomes in another area – even if all fall under the same banner of European strategic autonomy. To illustrate by means of an example, a militarily weak EU reliant on US support for most types of military operations may well go hand in hand with an EU that assumes global leadership in the decarbonisation agenda or restricts foreign investment in European supply chains.

4.3. The impact of European strategic autonomy is likely to materialise further into future, requiring a more extended time frame for analysis

Experts interviewed for this study presented a range of perspectives on the realism of the three different ways in which European strategic autonomy might materialise in the next five years, as discussed in Chapter 3. Yet there was a strong agreement among most interviewees that a five-year time frame is much too short to achieve the maturity of defence integration reflected by Scenario 1, much less Scenario 3. Indeed, some interviewees perceived that the most likely scenario in the next five years is a divided Europe and a US preoccupied with internal problems and focused primarily on China and the Indo-Pacific region (i.e. roughly Scenario 2). A greater number of interviewees, however, saw European strategic autonomy as gaining momentum on the EU defence and security agenda, with most recent efforts underpinning the development of the Strategic Compass as well as the wider burst of EU strategic ambitions via an openly 'geopolitical' Commission.

There was also a recognition that – at least at the strategic level – there continues to be stated emphasis on complementarity between the EU and NATO.[129] These initiatives and stated ambitions could be seen as early signs of a Scenario 1 future, albeit the gap between the current level of EU military capabilities and a 'strong European pillar of NATO' as captured in our Scenario 1 remains wide. In other words, while current circumstances may be favourable to greater European defence integration and most interviewees would prefer a Scenario 1 outcome, most cast doubts on whether this can actually be achieved in five years. Of course, unexpected events and external shocks such as the return of a U.S. administration that is perceived as less reliable or an escalation of tensions in Europe's neighbourhood may prompt a faster move towards greater defence integration. However, even such catalysts would be working against the long timelines required to consolidate and develop sound EU military capabilities. A journey towards European strategic autonomy in defence is a long one and it is unlikely much can be achieved in just five years.

4.4. A stronger Europe is seen as beneficial for both NATO and the U.S., outweighing potential risk of diverging interests and ambitions

European and US interviewees came up with several arguments pointing to the benefits of a strong European pillar not only for NATO and the EU, but also outweighing the challenges that may emerge in

[129] NATO (2018).

the process. Whether these efforts come under the umbrella of European strategic autonomy and EU-level defence integration or via bi- and multi-lateral programmes, or some combination of both, did not make a substantive difference to the well-shared perception that a more capable Europe is good for NATO and good for the transatlantic partnership. A less engaged, less capable, less coherent and less reliable European pillar of NATO is unlikely to be capable of meaningful burden sharing. And from a US national perspective, justifying investment in European defence matters to the U.S. public would be very difficult if European nations choose not to invest in strengthening their contribution to NATO. While a weak Europe (our Scenario 2) would require least policy effort and resources, it would also be the one with least benefits for NATO and the U.S., particularly as it looks for allies in an emerging systemic competition with China.

Naturally, the question arises as to whether the pursuit of European strategic autonomy is the 'right way of going about it', and whether the lack of clarity in relation to the concept creates more problems than it solves when it comes to the transatlantic relations. All in all, despite the risks of misunderstanding and miscommunication, the concept of European strategic autonomy, if underpinned by continuing defence consolidation, does seem to offer a unifying principle for a much needed defence integration to enable the EU to take up greater responsibilities for its defence and security matters.

4.5. EU-NATO complementarity remains a stated objective although achieving it in practice is difficult as persistent obstacles remain

Despite the recent change in the US administration, there has not been a shift in the substance of demands for greater burden sharing within NATO (though the tone of such demands differs). Indeed, this appears to be a priority both for Europeans and the U.S., seen by both sides as beneficial and in the long-term interest of NATO. As shown in Chapter 3, there was no appetite among both US and European interviewees for a Scenario 3 outcome of a Europe that 'goes its own way' – an option that was also recognised as unrealistic in the near term. The fact remains that the U.S., via NATO, remains critical for the provision of European defence and security due to its clear commitment to, and means of, operationalising territorial defence; the provision of nuclear deterrence, command and control structures and – as has been shown in previous operations – many of its enabling assets and capabilities.

The cooperation between NATO and the EU has been increasing steadily, with an explicit drive for complementarity embedded in EU instruments and tools of defence integration (e.g. CARD, PESCO, EDF). There was a strong sense among interviewees consulted that what had been achieved in terms of political commitment to the complementarity agenda on paper would and should not be reversed. However, the success of EU-NATO complementarity on a practical, implementation level, continues to be a challenging process not least due to the long-term tensions with Turkey, among others, which play out in both EU and NATO fora and prevent a genuine programme of information sharing and common planning. Additionally, and perhaps more importantly, there is a concern shared by most on the US side of the Atlantic that the focus on structures, policies and strategies is not enough to create a more capable European pillar of NATO. What is needed is substantive defence funding, meaningful capability development programmes and coherence.

In other words, while the rhetoric and stated intentions are perfectly aligned for an EU-NATO complementarity, the practical measures of achieving greater coherence and avoiding duplication within

this cooperation have been insufficient. Interviewees cited examples such as limited information sharing between the two and the somewhat siloed approaches that some EU member states adopt when it comes to their inputs to NATO plans and decisions and those of the EU. As a result, some US interviewees expressed concern that the U.S. will need to continue managing European security problems, detracting attention and resources from other areas such as the Indo-Pacific. Fundamentally, a clear delineation of responsibilities, mandates, missions, tasks between NATO and the EU – drawing on a shared or at least similar understanding of the global threat environment – will be necessary if all actors involved are to accept European strategic autonomy as a desirable outcome. This division of mandates can change in response to the emerging geopolitical and threat environment overtime as well as with European military capabilities reaching greater maturity in future.

4.6. US strategic orientations will likely continue to impact the future pace of European strategic autonomy and thus merit consideration

It is frequently recognised in policy reports that the strong recent impetus behind a greater focus on EU defence integration and the concept of European strategic autonomy has been closely associated with the perceived unreliability of the U.S. during the Trump administration.[130] Several interviewees consulted in this study also observed that the doubts and uncertainty around President Trump's commitment to European security and opposition to some of his foreign and domestic policies were also recognised to have had a galvanising effect on European strategic autonomy efforts (see Chapter 3). In that sense, the policy stance of the U.S. played an important role in shaping European strategic autonomy discussions even if this was done more in a negative sense, rather than constructively.

Based on our discussions with interviewees and the review of recent policy papers and commentaries, it is clear, however, that the role of the U.S. in shaping European strategic autonomy is unlikely to disappear. While there may be a sense of relief and respite within the EU following the election of President Joe Biden and his expressed desire to re-establish a close cooperation with European allies and partners,[131] there is also a strong sense, especially among European interviewees, that the EU needs to hedge against a potential second Trump or Trump-like administration in the near future. Effectively, this may mean a desire to pursue greater European defence integration to potentially be ready for a Scenario 3 outcome (i.e. as a hedge), while hoping for the actual realisation of Scenario 1. It is clear, therefore, that the strategic autonomy of Europe is intimately tied up with the actions and particularly with the perceived actions and intentions of its closest ally the U.S., its internal politics, as well as its foreign, defence and security policy and power projection abroad.

[130] See for example Biscop (2017b).

[131] See for example AFP (2021).

4.7. Several key influencers will continue shaping European strategic autonomy with potentially unpredictable outcomes

A large portion of the European defence integration via the implementation of CDP, CARD, PESCO, to a lesser extent the EDF and a range of bilateral and multilateral groupings and projects is carried out in a bottom-up fashion, involving the efforts of participating member states. However, these efforts, as well as the overarching strategic level ambitions and approaches to European strategic autonomy are shaped not only by internal politics and approaches of the member states but also by a range of internal and external challengers and events. Key players internal to NATO – most notably Turkey and the UK – and their policies and actions will continue to have a significant influence on the shape of European strategic autonomy and especially the practical ability of the EU to complement NATO:

- As noted earlier, Turkey has been recognised by several consulted interviewees as a strong influence in shaping NATO-EU relations and potentially preventing a more constructive engagement between the two institutions and greater sharing of working level information between the two in particular.
- The UK, on the other hand, has adopted an ambitious strategic agenda in what it has called the biggest review of defence, security and foreign policy since the Cold War.[132] In its Integrated Review published in March 2021, the UK has indicated a strong desire to be a 'Global Britain' with persistent presence across the globe, encompassing defence, diplomacy and development efforts and activities; a tilt towards the Indo-Pacific region but with a firm commitment to European defence and security within the framework of NATO. As of time of writing, it was still too early to see exactly how the UK vision and ambition would be perceived by its EU allies and how it might impact the prospects for European strategic autonomy. It is hoped that the publication of the Strategic Compass in 2022 will provide greater clarity on the answer.

In addition to these key actors within NATO, there are also key external challengers, notably Russia and China, whose policies and actions – not only in defence and security but also in trade, energy and many sub-threshold activities – will inevitably shape the relationships between the trio of actors examined here (EU, U.S. and NATO) as well as the European strategic autonomy project. More specifically, the complicated bi- and multi-lateral relationships between the EU as a whole and its member states individually, China, Russia and the U.S. inevitably shape negotiations and discussions on measures adopted in pursuit of European strategic autonomy. Crucially, the ability of the EU, the U.S. and NATO to cohere strategically on their approaches to these challengers will continue to shape the agenda for European strategic autonomy. It is also likely to reinforce the extension of its coverage well beyond the traditional defence and security issues given the complexity of interlinkages – and systemic challenges – embedded in the relationships with China and Russia (especially considering economic relationships, trade, investment, the digital economy, energy, transport, etc.). Again, the Strategic Compass could help provide early indications of how the EU may start to define its strategic autonomy vis-à-vis these external challengers and issues beyond 'traditional' defence.

[132] UK Government (2021).

Box 5. Summary of Chapter 4

Even the limited scope of European strategic autonomy in relation to defence (rather than autonomy in relation to the economy, trade, technology and other policy areas) raises numerous misunderstandings and misperceptions among EU member states, the U.S. and NATO. As long as EU member states' understanding and hopes for European strategic autonomy in defence continue to diverge, there will likely remain ambiguity underpinning the concept, hampering progress in its realisation. This realisation is likely to require a long time frame, with a five-year window examined in this study perceived by interviewees as too short for any major shifts towards greater autonomy – or indeed, the opposite.

A stronger EU in defence that acts in a manner complementary to NATO is likely to generate greatest benefits for all actors examined here, i.e. the U.S., NATO and the EU, primarily thanks to improved defence capabilities and readiness, interoperability and coordination. However, the risk of diverging interests and practical difficulties in facilitating working-level collaboration between NATO and the EU in defence matters will need to be managed to reap these benefits.

The U.S. has a vested interest in promoting greater EU defence integration as a means to strengthening its European allies and thus the European pillar of NATO. Its foreign and security policy is likely to continue shaping European strategic autonomy in defence for the years to come. In addition, several non-EU states within NATO, most notably Turkey and the UK, will also influence if and how European strategic autonomy in defence eventually materialises and to what degree it is complementary to, or competes with, NATO.

5. Policy options

This brief chapter presents a set of policy options for the EU, NATO and U.S. to maximise the benefits and mitigate some of the challenges associated with potential realisations of European strategic autonomy. These policy options were identified through internal RAND discussions, drawing on the evidence base collected through literature review and stakeholder interviews. Given the nature of the topic, they are naturally high-level, strategic options and would need to be broken down into their constituent components to generate specific implementation actions for each actor. This is, however, beyond the scope of this exploratory study.

5.1. A continued dialogue at all levels among EU and US partners could help avoid misperceptions and tackle common challenges

There was a strong sense among interviewees that much of the misappreciation of what European strategic autonomy means for the U.S., NATO and ultimately, also for the EU comes down to the lack of coherent understanding of the term itself (see Chapters 3 and 4). While it may be possible to agree on a high-level definition of the term – and efforts such as the Strategic Compass are perceived as potentially helpful in achieving this – the underpinning activities, programmes and ambitions will continue to be broad and open to interpretation. What is needed is a frank reflection within the EU on where it wants to go (its ambitions or desired 'ends') in terms of defence and security and commitment to the implementation of this ambition (i.e. the 'ways' and 'means'). Again, the Strategic Compass offers potential opportunities here; albeit history has shown that ambitious strategic agendas have often fallen short when it came to implementation (as evidenced by the shortfalls within EU defence integration initiatives such as PESCO and the EDF as discussed in Chapter 2).

With this in mind, it is important that an active dialogue on defence matters at both strategic and working levels between the U.S. and the EU (e.g. via respective defence organisations such as the US Defense Advanced Research Projects Agency for R&D, through PESCO projects) as well as between the U.S. and the representatives of the various regional defence groupings (see Figure 2.1) and bilaterally are intensified. As explained in Section 5.4, this dialogue should also meaningfully involve the UK.

With the new US administration in place, there is a perceived openness to greater engagement on both sides of the Atlantic, as well as a growing recognition that issues of cooperation are extending beyond the traditional realm of defence and security to include a much wider set of systemic challenges such as climate change, trade relationships, technology, health, and specific challenger nations, notably China and Russia. There is also a renewed emphasis on the alignment of values that are commonly shared by the EU member

states and the U.S. but that may not be shared by these nations, especially the rule of law, democracy, freedom of expression and others.

The means for such dialogue are not limited to NATO: indeed, NATO itself is unlikely to be the most fitting vehicle for engagement on all the wider set of security issues that are important to the U.S. and the EU and which are already being incorporated into the concept of European strategic autonomy. Yet it is also important to highlight the need for a constructive dialogue between the EU and NATO to drive greater coherence at the tactical, implementation level, which may not be as smooth as the publicly pronounced objectives to align NATO and EU defence activities might convey. EU member states and the U.S. have a role to play in diffusing some of the tensions that hamper a more constructive implementation level collaboration, particularly tensions stemming from disputes between Cyprus, Greece and Turkey. In addition to using NATO as a forum, diplomatic dialogue between the EU delegation and the U.S. as well as bilateral relationships between the U.S. and EU member states will be just as important.

5.2. An unambiguously supportive approach to European strategic autonomy by the U.S. would benefit all: the EU, the U.S. and NATO

A large number of interviewees consulted in this study identified a strong Europe, on balance, as being a positive development for the U.S., both due to the opportunity to create greater burden sharing within NATO and to secure public support for US engagement in Europe in the first place. In addition, some US observers noted that a proactive US policy that encourages a stronger European defence integration could enable previously reluctant EU member states to increase their engagement in European strategic autonomy-related initiatives and activities. Essentially, the US support could help assuage some concerns articulated by some EU member states that European strategic autonomy efforts might represent a direct decoupling of efforts from the U.S., which they heartily oppose (see Chapter 2).

Any US support of European strategic autonomy could involve a strong call for Europeans to ensure sufficient resource allocation to the EU defence integration initiatives, a continued emphasis on meeting NATO capability targets and regionalisation that involves greater burden sharing in practice, not only as stated commitments. It could also involve endorsement of the outputs from the Strategic Compass and a proactive support to the EU and its member states when seeking a clear definition and manifestation of European strategic autonomy that can be accepted by external partners such as the U.S. and the UK.

The sense of imbalance between US and EU contributions to collective defence that have been in place since the establishment of NATO, and not much improved since the end of the Cold War, needs to be both acknowledged by both sides of the Atlantic and constructively transformed into a more balanced engagement in relation to European defence. Indeed, the departure of the UK from the EU has further exacerbated this imbalance between EU and non-EU nations within NATO. Even if the military strength of the EU is unlikely to be sufficient to ensure territorial defence or conduct large-scale warfighting independently for at least the next decade. Nonetheless, the most likely pathway to a stronger European pillar within NATO – which is seen as by far the preferred scenario examined in this study – is one that includes a proactive positive encouragement from the US ally.

Of course, there will remain many contentious issues to be resolved – one of which is the question of access to defence equipment markets. In this realm, both the EU and U.S. have put in place restrictions on third party access to defence procurement programmes, defence R&D funding (e.g. the EDF) and other capability development programmes as well as a range of export controls (including EU member states' export restrictions and the US International Traffic in Arms Regulations). A drive for European strategic autonomy that entails a certain level of protectionism of the EU defence industrial base will inevitably cause tension with the U.S. if the latter's defence manufacturers are prevented or significantly restricted from accessing the EU defence market (though, of course, existing US restrictions on accessing its own domestic market cause similar frustrations in European capitals and boardrooms).

5.3. Constructive NATO-EU relationship demands a clear articulation of EU ambition and agreement on threats and areas of responsibility

Much has been said in this report about the drive towards a constructive partnership between the EU and NATO in defence matters, as well as a realisation that EU member states and their biggest transatlantic ally will need to find alternative routes to tackle a broader set of security and policy challenges that are increasingly being incorporated in the concept of European strategic autonomy. The 2016 Joint Declaration on NATO-EU cooperation in defence matters sets the tone for transparency and building of defence capabilities for the common benefit of both organisations.[133] However, the practical realisation of complementarity that seeks to build synergies between NATO capability development and EU defence integration efforts has been much slower. Settling on a set of tasks and missions that Europe needs to be able to handle on its own, and those for which a strong European contribution to NATO is essential, would be a first step in clearly delineating the responsibilities of NATO and of the EU. Such clear articulation of tasks and ambitions could help resolve long-standing ambiguities in the transatlantic relationship. In addition, it is important that any foundational analysis of global strategic threats is shared by the EU and NATO and that the commitments that will be articulated in the Strategic Compass and NATO's Strategic Concept are aligned, mutually reinforcing and complementary. While this is certainly the stated ambition behind these efforts, it is at the practical, day-to-day working level where complementarity and coherence between these initiatives will need to be effectively established.

5.4. Restoring a constructive relationship with the UK would benefit the EU, NATO and the U.S. in their response to threats and challenges

In the immediate aftermath of Brexit, the study team perceived a sense of scepticism among some EU interviewees in relation to the prospect of involving the UK in any EU defence integration efforts. Indeed, there was a sense that the UK had consciously cut itself off from EU defence matters and hence closed off opportunities for defence collaboration. This sense may be exacerbated by restrictions placed on third countries when participating in PESCO or EDF programmes that now apply to the UK just as much as any other third country.

[133] NATO (2018).

However, it is important to recognise that any exclusion of the UK from European defence more broadly is likely to be both unrealistic and counterproductive.[134] The UK defence industrial base is deeply integrated with the wider European industrial base with multinational primes operating in the UK as well as in multiple EU countries (e.g. Airbus, Thales, Leonardo, MBDA, Rolls-Royce and others). The UK is also deeply involved in multinational collaborative programmes with EU member states in strategic capabilities (e.g. in complex weapons with France, or combat air with Sweden and Italy). Crucially, too, the UK's military capabilities (including its nuclear deterrent and power projection capabilities) are critical to NATO operations in Europe. Excluding the UK from such considerations would be counterproductive and blind to this reality.[135] Finally, it is useful to recognise that despite the announced tilt to the Indo-Pacific, the UK remains firmly committed to European defence through NATO as a matter of strategic priority.[136]

As such, any mixed feelings and wider political tensions associated with Brexit should now give way to a constructive dialogue mechanism on defence matters between the EU, U.S. and UK actors. In this, too, the UK would have much to contribute given its close ties with the U.S. and an opportunity to bring together the broader Five Eyes perspective with an understanding of the European defence landscape, as well as enhance the coherence of European stances within the United Nations Security Council.

Box 6. Summary of Chapter 5

Broad policy options that have the potential to contribute to a positive realisation of European strategic autonomy in defence include:

1. Fostering a constructive dialogue on defence matters at all levels among the EU, EU member states, the U.S. as well as with the UK, including discussions bilaterally, via regional defence groupings or via working level discussions at EU-US level (e.g. between defence R&D sponsor organisations, via PESCO or other technical/institutional means of collaboration) to enhance mutual understanding of the meaning and ambition behind European strategic autonomy in defence – and beyond.

2. Encouraging a proactive and unambiguously supportive US stance towards European strategic autonomy in defence, providing concrete backing to EU defence integration and dampening divergent preferences of individual EU member states to maximise the benefits and minimise the risks of relevant initiatives.

3. Fostering deeper cooperation between the EU and NATO as already envisaged in the Joint Declaration, using the Strategic Compass as a practical avenue in the short term.

4. Restoring a constructive relationship with the UK on defence issues after Brexit, recognising its significant contribution to European security and defence and advantages through its valuable capabilities and global relationships such as through the Five Eyes partnership or United Nations Security Council.

[134] For a succinct summary of UK's contribution to EU defence and security, see: Giegerich & Mölling (2018).

[135] See Black et al. (2017).

[136] UK Government (2021).

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Annex A. Future scenarios methodology

The future scenarios methodology employed by the study team is a robust approach to thinking about the future, which is inherently uncertain. These scenarios do not aim to predict the future, but rather aim to present a spectrum of possible futures. The individual steps are described in detail in the following sections.

A.1. Identification of possible factors

The team first conducted a review of the literature to help identify a long list of factors that could play a role in influencing the concept of European strategic autonomy in 2025. This was not only to seek to identify factors relating to the European strategic autonomy concept itself, but also factors relating to strategic autonomy, defence and other civil and external matters more broadly. To structure the literature review, the team identified several internal and external factor categories. Internal factor categories included governance, autonomy, ambition, contextual framework and level of capability. External factor categories included political factors related to the EU, political factors related to the U.S., evolution of NATO, macroeconomic factors, defence industry, societal factors, level of EU member states' defence spending, and the relationship between Europe and the U.S. Additionally, the literature review also sought to capture various definitions in use with regard to European strategic autonomy.

The team then complemented the factors identified through the literature review with internal analysis on additional factors based on the team's wider knowledge more generally, as well as factors specific to the defence context. This led to the generation of a long list of 31 factors, included below:

1. Level of ambition
2. European leadership
3. Involvement of the UK in European strategic autonomy post-Brexit
4. Third party access
5. EU common funding
6. European defence industrial collaboration
7. Level of interoperability
8. Aggregate military strength
9. National defence spending
10. Complementarity with NATO
11. European threat perceptions
12. European perception that the United States is a reliable ally
13. Societal factors
14. Consolidation of EU defence market
15. Voting rules for EU foreign policy decisions
16. Ability to develop a common strategic culture

17. NATO membership
18. Credibility of NATO
19. Threat perception towards state-led threats
20. Threat perception towards non-state threats
21. Level of conflicts within Europe and immediate neighbourhood
22. Level of conflicts in the wider world
23. Climate change
24. Level of extremism
25. Migration
26. Integration within European societies (i.e. of migrants)
27. Domestic stability
28. Trust in democracy
29. US interest beyond Europe
30. Economic growth within major defence spenders
31. Predictability of US foreign policy

A.2. Shortlisting of factors

To shortlist the factors, the team then conducted an influence analysis. Four members of the study team each completed an influence matrix spreadsheet, assessing, for each of the 31 factors, how one factor influences every other factor. The level of influence was assessed quantitatively, with scores assigned for each factor: a score of zero indicated no impact, one indicated weak or delayed impact, two indicated medium impact, and three indicated strong and direct impact. This was repeated for all 31 factors.

The scores from the four spreadsheets were then pulled together to compare the scoring of the factors and resolve areas of disagreement. An initial discussion made clear that several factors were redundant. It was decided that factor 11 (European threat perceptions) would be removed, as it was already covered by factors 19 (Threat perception towards state-led threats) and 20 (Threat perception towards non-state threats). Similarly, factor 24 (Level of extremism) was felt to overlap with factor 27 (Domestic stability).

To resolve areas of disagreement, and create a single spreadsheet of scores, those with a disagreement of three points or more were discussed within the team. Scores with a difference of two or fewer points were resolved by selecting the score selected by the majority of the team (i.e. three of the team members). If there was a 50:50 split, this factor was also discussed by the team.

The results of the influence analysis led to a ranking of factors by 'activeness' and 'passiveness'. The 'activity' of a factor is measured by the level of influence it exerts on other factors. The ranking of factors is shown in Figure A.1.

Figure A.1. Activity-passivity ranking results

		#	Factor
1	☐	2	European leadership
2	☐	17	Credibility of NATO
3	☐	11	European perception that the United States is a reliable ally
4	☐	1	Level of ambition
5	☐	3	Involvement of the UK in ESA post-Brexit
6	☐	15	Ability to develop a common strategic culture
7	☐	9	National defence spending
8	☐	27	US interest beyond Europe
9	☐	8	Aggregate military strength
10	☐	18	Threat perception towards state-led threats
11	☐	7	Level of interoperability
12	☐	25	Domestic stability
13	☐	19	Threat perception towards non-state threats
14	☐	5	EU common funding
15	☐	16	NATO membership
16	☐	4	Third party access
17	☐	20	Level of conflicts within Europe and immediate neighbourhood
18	☐	12	Societal factors
19	☐	29	Predictability of US foreign policy
20	☐	10	Complementarity with NATO
21	☐	21	Level of conflicts in the wider world
22	☐	23	Migration
23	☐	26	Trust in democracy
24	☐	6	European defence industrial collaboration
25	☐	28	Economic growth within major defence spenders
26	☐	24	Integration within European societies (i.e. of migrants)
27	☐	13	Consolidation of EU defence market
28	☐	14	Voting rules for EU foreign policy decisions
29	☐	22	Climate change

This assessment helped the study team select the shortlist of factors, which included a mixture of more active and more passive factors, to include the following:

1. European leadership
2. Credibility of NATO
3. European perception that the U.S. is a reliable ally
4. Level of ambition of European strategic autonomy
5. Involvement of the UK in European strategic autonomy post-Brexit
6. Development of a common strategic culture in European strategic autonomy
7. National defence spending of European nations
8. Aggregate military strength of European militaries
9. Threat perception across European nations

10. Level of interoperability
11. EU common funding
12. Third party access to the European defence market
13. Complementarity with NATO
14. Level of conflict in the world

A.3. Application of projections to the shortlisted factors

The team then sought to apply projections to the shortlisted factors. These projections sought to encompass the different futures that each factor may take, while remaining straightforward, concise and relatively distinct from each other. Some overlap is permitted, but ideally projections should be sufficiently different one from the other. To determine the projections, the team drew on the literature review data from the first step to understand what had been stated regarding the various factors. This was then complemented by an internal workshop by members of the team to determine the remaining projections, and finalise the existing ones.

The final projections for each factor are shown below, along with a slightly longer definition:

Factor 1: European leadership

Definition: The ability and political will of nations to design strategies and initiatives, gain consensus around them, and pursue coherent implementation in support of European strategic autonomy

1. France and Germany
2. France, Germany and the UK
3. European Security Council (e.g. with France, Germany, Italy, Poland and Spain as permanent members alongside a number of rotating members, including the UK)
4. No clear leadership emerged

Factor 2: Credibility of NATO with European members

Definition: Degree to which all European nations believe NATO is a strong, coherent and reliable alliance

1. Increase
2. Status quo
3. Decrease

Factor 3: European perception that the U.S. is a reliable ally

Definition: Degree to which European nations believe the U.S. can be counted upon to address European security issues effectively (including through NATO)

1. U.S. can generally be counted upon
2. U.S. can sometimes be counted upon
3. U.S. cannot be counted upon

Factor 4: Level of ambition of European strategic autonomy

Definition: The scope of security challenges that European strategic autonomy members seek to manage through European strategic autonomy

1. Crisis management in Europe and its neighbourhood
2. Global crisis management
3. Territorial defence and crisis management

Factor 5: Involvement of the UK in European strategic autonomy post-Brexit

Definition: The level of participation of the UK in the European strategic autonomy project after Brexit

1. No involvement
2. Limited involvement
3. Full involvement

Factor 6: Development of a common strategic culture in European strategic autonomy

Definition: Whether or not European strategic autonomy members are able to develop a common understanding of when and how military interventions should be waged

1. Inclusive process, with all members moving towards a more integrated strategic culture
2. Two-track process, with core members moving towards a more integrated strategic culture than others
3. Effort is unsuccessful

Factor 7: National defence spending of European nations

Definition: Level of defence spending across all European nations involved in European strategic autonomy

1. Increases above 2% of GDP
2. Increases to reach 2% of GDP
3. Increases, but remains below 2% of GDP
4. Status quo
5. Decrease

Factor 8: Aggregate military strength of European militaries

Definition: The degree to which European militaries are maintaining and developing capabilities across all European strategic autonomy members (i.e. the combined military weight of Europe collectively)

1. Increase
2. Status quo
3. Decrease

Factor 9: Threat perception across European nations

Definition: The degree to which European nations agree on the nature and degree of priority of the threats they face

1. Low agreement
2. High agreement

Factor 10: Level of interoperability

Definition: The degree to which European militaries can effectively operate with each other to achieve military objectives

1. Increase
2. Status quo
3. Decrease

Factor 11: EU common funding

Definition: Evolution of the amount of funding that EU Member States allocate collectively to common defence projects (e.g. the EDA, PESCO, CSDP, EI2, etc.)

1. Increase
2. Status quo
3. Decrease

Factor 12: Third party access to the European defence market

Definition: Degree to which nations that are not part of European strategic autonomy have access to the European defence market (i.e. industry)

1. More access
2. Status quo
3. Less access

Factor 13: Complementarity with NATO

Definition: The degree to which NATO and European strategic autonomy are able to coordinate and deconflict their activities

1. Increase
2. Status quo
3. Decrease

Factor 14: Level of conflict in the world

Definition: The level of conflict (from open warfare to grey zone/hybrid operations) occurring across the world

1. Increase
2. Status quo
3. Decrease

A.4. Engagement with experts to identify consistent projections

The next step was to assess which projections were consistent with each other, i.e. which projections could logically take place at the same time. An example would be an increased aggregate strength of European militaries (factor 8) being consistent with an increase in interoperability (factor 10). To do so, six senior experts on European defence from across the European and US offices of RAND were asked to score a consistency matrix. As with the influence analysis, this took the form of a quantitative assessment, to understand how consistent the simultaneous occurrence a pair of factors would be out in 2025. The scoring criteria used were the following: a score of one indicates that the two projections are highly inconsistent; a score of two indicates that the two projections are partially inconsistent; three indicates that the two projections are independent of each other; four indicates that the two projections are consistent; and five indicates that the two projections are highly consistent.

Due to the large amounts of data, and the difficulty of having all experts and members of the study team take part in a workshop together, the study team approached the combination of scores in a pragmatic manner. Once all the experts had provided scores, the study team conducted an analysis across all scores in order to create one single consistency matrix. This comprised: calculating the mode for each score across all expert spreadsheets; in cases where there were two modes, calculating which was the second mode; and calculating the range between the scores, i.e. the difference between the smallest and largest value across all expert spreadsheets. In the instances where there were two modes, a further level of analysis was applied, with modes that scored either '1' and '2' or '4' and '5' – indicating a difference in the intensity of the level of (in)consistency rather than a disagreement – highlighted in yellow; modes that scored either '2' and '3' or '4' and '3' were highlighted in amber; and any other differences were highlighted in red, signifying a much higher degree of divergence between experts.

Based on this initial cleaning and analysis of the scores, the following steps were taken:

- The study team decided to focus on the mode to define the final scores.
- Where there was only one mode and where the range was less than three points apart, the mode was selected as the final value for that specific pair of projections.
- With regards the dual modes:
    - Modes highlighted in yellow were resolved by selecting either the '1' or the '5'.
    - Modes highlighted in amber were resolved by selecting either '2' or '4', unless members of the study team all agreed that the pair of projections under consideration were independent to each other.
    - Modes highlighted in red were resolved by the study team discussing each pair of projections individually to determine the final score.
- In the remaining areas, where there was a single mode, but a range of three points or more, the study team discussed each pair of projections individually to determine the final score.

Once the final consistency matrix was produced based on the steps taken above, the study team then reviewed the entirety of the scores, across each pair of factors, to identify any discrepancies in the scoring, and suggest modifications to reduce these discrepancies.

Once these were resolved, the spreadsheet was sent to all experts for review and comments. Following the experts' inputs, the study team got together again to respond to the comments and finalise the remaining scores and areas of disagreement, by assessing results based on the study team's knowledge and expertise, and wider consistency with the rest of the scoring across pairs of projections within pairs of factors.

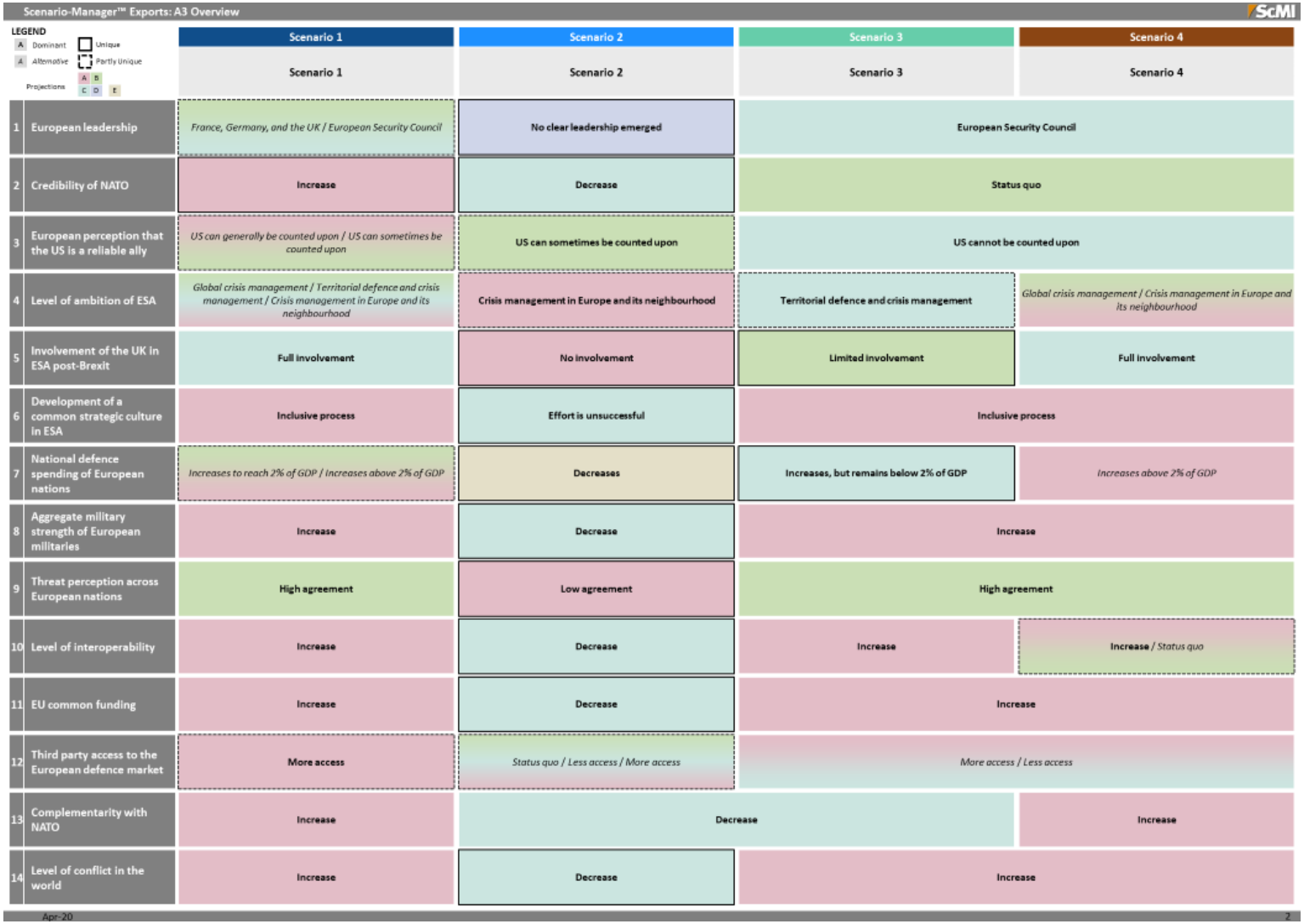
A.5. Production of scenario narratives

The final version of the consistency analysis was then processed by a scenario software tool, to generate clusters of consistent projections.

On the basis of the clustering, it was noted that the optimal number of scenarios was between three and four, to ensure that the scenarios were sufficiently different one from the other. The study team selected the settings 'four scenarios' and heap size ten[137] in order to produce the scenarios. The raw outputs are provided in Figure A.2 overleaf that provides an overview of the raw scenarios.

[137] In the scenario calculation for each projection, a list of the most consistent projection bundles is created. For the cluster analysis all bundles are chosen, that have a certain position in these lists. This position is defined by the heap size. Heap size one means only the most consistent projection bundle for each projection is taken. One is therefore the minimum. The higher the heap size, the more bundles are included in the cluster analysis.

Figure A.2. Overview of the raw scenarios



Annex B. Scenarios of European strategic autonomy

Once the raw outputs were generated by the SCMi software tool, the next step was transforming these into a coherent qualitative narrative by the study team. With regard to areas with alternative projections, either one projection was selected as long as it was consistent with the rest of the projections (e.g. in Scenario 1, the leadership of 'France, Germany and the UK' was selected over 'European Security Council'), or the specific factor and projection was not included in the narrative (e.g. in Scenario 2, 'third party access to the European defence market' was not mentioned in the narrative write-up). The final narratives of the raw scenarios are provided in Chapter 3.

The full narrative of the scenarios is provided below in the following order:

- **Scenario 1:** A true European pillar of NATO
- **Scenario 2:** European defence integration falters; transatlantic fragmentation
- **Scenario 3:** A strong Europe goes its own way

B.1. Scenario 1: A true European pillar of NATO

Overview

In 2025, the endeavours by participating governments to pursue European strategic autonomy have led to enhanced military interoperability; increases in defence investments; progress on defence industrial cooperation; cohesive strategic decision making led by France, Germany and the UK; and pursuit of a broader range of missions in neighbouring areas that are perceived by the United States and others allies as effective complements to NATO's core tasks. This has enabled European governments and EU structures to maintain a good working relationship with NATO as a whole and to deepen domestic support for European defence cooperation.

Wider geopolitical situation

An increased level of conflict in the world and tangible cooperation between European governments over the last few years on defence matters has led to an enhanced understanding and agreement on the nature and prioritisation of the threats faced. European countries are approaching this more challenging geopolitical situation with increased political unity and an unprecedented degree of defence cooperation, such that they feel significantly more prepared to tackle upcoming challenges.

Efforts to achieve European strategic autonomy

France, Germany and the UK have remained the countries with the most effective military capabilities in Europe, and have taken the leadership of European defence organisation, initiatives and projects. The three countries are operating as the Europe defence triumvirate and have been nicknamed the ED3. Despite the UK's exit from the EU, the three countries have remained aligned on the fact that they are stronger together. Along with the inclusion of the UK in the ED3, the European strategic autonomy has also developed in a way that is complementary with NATO, with good coordination between both organisations.

Outcomes

The UK's presence in the ED3 has reassured Washington that European strategic autonomy will develop in ways that complement NATO and preserve transatlantic cohesion, but Paris and Berlin retain doubts about the UK's divided priorities and the special relationship. In addition, the Biden administration's policies, supported by Congress, reaffirming the US commitment to transatlantic security and support for greater European capacity to address security problems along its periphery, have contributed to the development of European strategic autonomy.

The ED3 have moved on from rhetorical debates about the scope of European defence tasks and are taking a united approach, including with a focus on the initial phases of territorial defence and limited, independent operations along Europe's periphery for crisis management, which represent a noticeable increase in ambition over the last few years, as well as strengthening cooperation on national resilience activities to deal with various crises and hybrid threats. This expanded mandate now better complements NATO's, and both organisations have made purposeful efforts to delineate their respective responsibilities and deconflict. This process has resulted in an increased level of cooperation and concertation between the EU and NATO. Under the ED3 leadership, collaborative European defence matters have enjoyed a more prominent role in European defence and security policy. European nations have relaxed some of the restrictions that limited non-EU countries' access to some parts of the EU defence market, helping increase growth in the sector.

Defence spending across all European nations has increased, with most reaching the 2 per cent of GDP marker, and some even increasing their defence spending to above 2 per cent, helping increase positive relations between European NATO allies and the U.S., in addition to increasing the aggregate military strength across all European militaries. In addition, there has also been an increase of funding for common European defence projects, especially for PESCO, the EDF and operations under the CSDP.

B.2. Scenario 2: European defence integration falters; transatlantic fragmentation

Overview

Ambitions for European strategic autonomy have foundered and amounted to very little in 2025. General disillusionment with the European project, a lack of leadership, tight budgets and a fragmented approach to European defence have led to decreased interest in European defence matters. Efforts to integrate European defence capabilities have been curtailed and EU common funds for defence have decreased. These trends have resulted in fewer collaborative procurements, decline in interoperability and diminished military

capabilities overall. Some European countries have refocused their political energy and defence resources on NATO and closer cooperation with the United States.

Wider geopolitical situation

The increasingly disjointed relationship between European governments has affected their threat perceptions, with limited agreement among them on both the nature and prioritisation of the threats they face. However, the decrease in the level of conflict in the world has meant that the low level of agreement on threats has, so far, not had a significant impact in strategic and operational terms.

Efforts to achieve European strategic autonomy

Disagreements between European governments over the future of European defence has meant that no clear leadership for European defence has emerged. France and Germany, as the leading countries within the EU, have been unable to reconcile their visions of the European defence project, and no other country or set of countries has taken a leadership role. Additionally, the UK's bruising exit from the EU has meant that neither the remaining EU members nor the UK have sought to work together over collaborative European matters – including European defence.

European defence matters have become fragmented, with small sub-sets of countries taking their own initiatives or losing interest in taking part in wider European defence matters. The lack of an agreed vision and leadership has meant that there has been no driving force to ensure the development of a common strategic culture among European strategic autonomy members. This has led to a lack of interest in a common European defence project, which has been reflected by decreases in national defence spending by most European countries, and diminished interoperability among European militaries.

Outcomes

The lack of leadership and diminished interest in European defence over the recent years has also meant that remaining European defence activities have not been coordinated or deconflicted with NATO. This has led to frustrations between the US and European governments. The credibility of NATO among European nations has decreased, and few European countries regard NATO as a strong, coherent and reliable alliance compared with just five years ago. The lack of a European alternative has put more pressure on NATO to deliver with regard to crisis management globally, including in Europe. Yet a series of missed opportunities and persistent internal disagreements within NATO have brought its ability to tackle such crises into question.

However, the U.S. is still perceived as a reliable ally that can make up for the limitations of both the EU defence project and NATO. The U.S. therefore remains the primary go-to ally, especially for a number of traditionally Atlanticist European governments that feel their security concerns are not receiving sufficient attention from more prominent European powers.

B.3. Scenario 3: A strong Europe goes its own way

Overview

Practical steps have been taken to implement European strategic autonomy by 2025. Most European governments have increased their military capabilities, deepened combined military planning, and expanded defence industrial cooperation. The leadership of a joint European defence initiative by a European Security Council has achieved coherence in policy direction and prioritisation of efforts. Deteriorating confidence in the U.S. as an ally has also strengthened the project. The success of European strategic autonomy has led to divergent European priorities vis-à-vis the NATO defence planning process and diminished participation in NATO exercises.

Wider geopolitical situation

As a result of a higher level of conflict worldwide, European nations have increasingly agreed on the nature and prioritisation of the threats they face, in part driven by the inclusive approach taken to the European defence project.

Efforts to achieve European strategic autonomy

European strategic autonomy has generated widespread interest across the European countries, beyond the usual leading European military powers of France and the UK. As such, a European Security Council has been formed to lead this joint European defence initiative, enabling the various interested countries to have a say in a democratic and fair way. The Council was set up with France, Germany, Italy, Poland and Spain as permanent members, with a set of rotating members serving yearly terms alongside them. The UK agreed to join as a rotating member, enabling it to have a meaningful but limited involvement in European defence initiatives.

Outcomes

The Council, with broad support of all EU member states, has agreed that the core ambitions of European strategic autonomy are to focus on territorial defence and crisis management and other military operations along and beyond Europe's periphery. Cohesive European strategic autonomy leadership has also enabled a common strategic culture to develop whereby all member states have an increased common understanding of when and how military interventions should be undertaken. This has also helped to increase the level of interoperability between European militaries, and countries have noticed improved effectiveness in combined joint operations.

The ambition to achieve European strategic autonomy has become even more central to European countries in the past few years as the U.S. has become an increasingly unreliable ally. Based on recent experiences, most European nations no longer believe that the U.S. can be counted upon to address European security issues effectively – including through NATO. This has led to an increase in the combined military capabilities of European militaries, with a greater focus on maintaining and developing capabilities across all European strategic autonomy members.

Additionally, national spending on defence has increased, although has remained under 2 per cent of GDP for most European countries. Funding for common European defence projects has also increased, with additional funding being made available for the EDA, PESCO, the EDF and operations under the CSDP.

The fact that the idea of a European-led defence initiative has been taken up so enthusiastically by European countries has driven a wedge between Europe and NATO, with some allies seeing European strategic autonomy as encroaching upon its mandate. This has resulted in more frequent misunderstandings around which organisation should respond to which situations.

Annex C. Interview approach

This annex provides an overview of the interview protocol used as well as the list of organisations from which interviewees were consulted. Interviews with 27 senior interviewees (18 European interviewees and 9 US interviewees) ran from 19 January to 11 March 2021. An additional interview was conducted on 23 June 2021. Most interviewees wished to remain anonymous; therefore, no interviewee names or specific affiliations are listed.

C.1. Interview protocol

The interview protocol used is provided in the Box below.

Box C. Interview questions

1. Is this scenario generally plausible? If not, why not?
2. In this scenario, what are benefits and challenges for NATO as a whole?
3. In this scenario, what are benefits and challenges for the United States?
4. How does this scenario affect NATO-EU cooperation?
5. How does this scenario affect US-EU cooperation?
6. What could be ways for the EU, NATO and/or the United States, to mitigate the challenges raised by this scenario?

Summary notes were taken during the interview. Following this, the key information was inserted in an analysis matrix, which served to capture the high-level themes from the interviews.

C.2. Senior interviewees interviewed for the study

Table C.1. List of organisations consulted

List of organisations consulted
Center for Strategic and International Studies (CSIS)
Center for a New American Security (CNAS)
Egmont Royal Institute for International Relations
European Commission Political and Security Committee (PSC) representatives
European Defence Agency (EDA)
European External Action Service (EEAS)
European Institute for Security Studies (EUISS)
French Institute of International Relations (IFRI)
French Ministry of Foreign Affairs (MEAE)
German Institute for International and Security Affairs (SWP)
German Ministry of Foreign Affairs (AA)
Heritage Foundation
North Atlantic Treaty Organisation (NATO)
Permanent Structured Cooperation (PESCO) Secretariat
US Department of Defense (DOD) (former senior officials and former senior general officer)
US Department of State (DOS) (current and former officials)
US National Security Council (NSC) (former senior officials)
US senior stakeholder with defence industry experience