

## **Redefining Roles: The EU's Shift from Funder to Defender**

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### **Introduction:**

The European Union is undergoing a significant transformation in its defense strategy. Historically, the EU has focused on economic measures and funding initiatives, leaving defense matters largely to NATO. However, recent geopolitical developments have underscored the necessity for the EU to evolve from being just a funder to becoming an active defender. This shift is marked by major proposals, such as the introduction of the first-ever EU defense commissioner and the development of a comprehensive European Defence Industrial Strategy.

This strategic evolution is driven by the pressing need for the EU to enhance its defense capabilities amidst the ongoing war in Ukraine and the uncertain future of US political stability. The conflict in Ukraine has revealed the vulnerabilities in European security and the risks of relying too heavily on external actors, particularly the United States, for defense. Additionally, the potential for political changes in the US further amplifies the urgency for Europe to establish a more autonomous and resilient defense posture.

In this commentary, we will explore the EU's strategic shift from a funder to a defender. We will examine the historical context of NATO and EU roles, the push for a defense commissioner, the strategic and financial initiatives being implemented, and the geopolitical drivers behind this shift. We will also discuss the feasibility of these goals, the measures the EU is taking to achieve them, and the institutional challenges and skepticism that arise. By doing so, we aim to understand the importance of this strategic shift and how it might reshape the future of EU defense policy.

To fully appreciate this transformation, it's important to look at the traditional roles of NATO and the EU. This summary of the historical context will shed light on why this change is necessary and how it hopes to redefine the landscape of European defense.

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*Image source: Euractiv*

## **Historical Context:**

For decades, NATO and the EU have had distinct yet complementary roles in defense and security. Founded in 1949, NATO has been the main military alliance, focusing on the collective defense of its member states. Heavily supported by the military power of the United States, NATO has coordinated military policies, set capability targets, and ensured readiness for collective defense operations. The US, as a leading member, has significantly shaped NATO's strategies and operations, making it the cornerstone of European security.<sup>2</sup>

In contrast, the European Union has historically concentrated on economic integration, trade policies, and regulatory frameworks. Defense was not a primary focus for the EU, which preferred to contribute through financial support rather than direct military engagement. This division of responsibilities was summed up by the phrase, "The U.S. fights, the U.N. feeds, the EU funds," highlighting the EU's role as a financial backer, supporting peacekeeping, humanitarian aid, and reconstruction efforts, while relying on NATO, especially the US, for military action.<sup>3</sup>

However, the security landscape in Europe is changing. The ongoing war in Ukraine has starkly exposed the vulnerabilities in Europe's defense posture and the risks of over-relying on external actors like the United States. Additionally, the political unpredictability in the US

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<sup>2</sup> Lau, Stuart, and Jacopo Barigazzi. "Who's the Boss When It Comes to Defense: NATO or the EU?" *POLITICO*, April 12, 2024.

<sup>3</sup> Ibid

has raised concerns about the reliability of American support in the future. These factors have driven a shift in the EU's approach to defense.<sup>4</sup>

The EU is increasingly recognizing the need to develop its own strong defense capabilities. Ursula von der Leyen, the President of the European Commission, emphasized this at the Munich Security Conference, stating that "a new European defense mindset" is urgently needed. Thierry Breton, the Internal Market Commissioner, has proposed a €100 billion EU defense fund, highlighting the ambition to significantly strengthen the EU's defense capabilities. The European People's Party (EPP), in their draft manifesto for the upcoming elections, has called for a dedicated defense portfolio in the next European Commission.

This strategic shift involves significant policy changes and initiatives aimed at enhancing the EU's defense posture. Understanding this historical context is crucial to appreciating the magnitude and implications of the EU's evolving defense strategy. This sets the stage for discussing the proposal of a dedicated defense commissioner.



*Image source: EUNews*

## **The Push for a Defense Commissioner and More Strategic and Financial Initiatives:**

The proposal for the first-ever EU defense commissioner marks a pivotal change in the European Union's defense strategy. Traditionally, the EU has taken a supporting role in defense, focusing mainly on funding initiatives rather than direct military involvement.

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<sup>4</sup> Besch, Sophia. "Understanding the EU's New Defense Industrial Strategy." *Carnegie Endowment for International Peace*, March 8, 2024.

However, the current geopolitical turmoil, particularly the war in Ukraine, has highlighted the urgent need for a stronger and more independent EU defense strategy.<sup>5</sup>

The proposed defense commissioner would centralize and coordinate the EU's defense policies and funding. This role aims to provide strategic direction, ensuring that defense funds are allocated effectively to enhance Europe's defense capabilities. Ursula von der Leyen stressed the importance of this role, stating that a "new European defense mindset" is crucial for the EU to tackle its security challenges.

Establishing a defense commissioner is just one part of a larger plan to boost the EU's defense capabilities. Central to this plan is the European Defence Industrial Strategy (EDIS), which aims to strengthen the EU's defense industry. The EDIS is designed to ensure that the EU can produce essential defense equipment domestically, promoting EU-based defense projects and ensuring a reliable supply chain.<sup>6</sup>

A key component of this strategy is the European Defence Fund (EDF). The EDF aims to drive innovation and enhance the competitiveness of the EU's defense industry by providing financial incentives for collaborative research and development projects among EU member states. By fostering joint projects, the EDF helps to reduce duplicated efforts and encourages a more integrated defense sector across Europe.

The proposed €100 billion defense fund is a significant financial initiative that highlights the EU's dedication to strengthening its defense capabilities. This fund is intended to support the development and production of advanced defense technologies, ensuring that the EU can tackle both current and future security challenges.<sup>7</sup>

The strategic and financial initiatives behind the EU's enhanced defense stance are largely driven by urgent geopolitical challenges. The war in Ukraine has exposed weaknesses in Europe's defense setup and the dangers of relying too heavily on external actors like the United States. This conflict has underscored the need for Europe to independently secure its own safety and respond to threats effectively.

Additionally, the potential instability of US political support has highlighted the necessity for a more self-sufficient European defense strategy. The unpredictability of US politics, especially with possible leadership changes, has raised concerns about the reliability of American backing in times of crisis. This uncertainty has spurred the EU to aim for a more autonomous defense posture.

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<sup>5</sup> Pezzini, Antonello. "Time to Have a Large Scale European Defence Industrial Programme." *European Economic and Social Committee (EESC)*, February 15, 2024.

<sup>6</sup> Vanberghen, Cristina. "How Would the New NATO Leader Manage Alliance Amidst the Ukrainian Conflict or Trump's Re-election?" *Modern Diplomacy*, April 2, 2024.

<sup>7</sup> Lau, Stuart, and Jacopo Barigazzi. "Who's the Boss When It Comes to Defense: NATO or the EU?" *POLITICO*, April 12, 2024.

These geopolitical factors have created a pressing need for the EU to develop a strong and independent defense capability. Establishing a defense commissioner, along with implementing the European Defence Industrial Strategy and related funding initiatives, is part of a comprehensive approach to meet these challenges. By enhancing its defense capabilities, the EU seeks to ensure it can independently manage its security needs and maintain stability amidst evolving geopolitical threats.

Understanding these geopolitical drivers is crucial for grasping the broader context of the EU's defense strategy. The next section will delve into the feasibility of achieving these ambitious goals and the steps the EU is taking to ensure their success.

## **Feasibility and Measures:**

The European Union's ambitious shift from being a financial supporter to a major defense player requires careful consideration of its feasibility, especially in terms of financial, political, and regulatory aspects.

A primary challenge for the EU is financial. The Commission has proposed a European Defense Industrial Strategy with a budget of at least €1.5 billion to enhance Europe's defense capabilities. However, this amount is modest compared to the €100 billion suggested by NATO Secretary-General Jens Stoltenberg for a similar fund. This stark contrast highlights the significant financial gap the EU needs to bridge to meet its defense goals. Securing additional funds is tricky, given the EU's budget priorities like agriculture and social welfare, which are deeply rooted and politically sensitive.<sup>8</sup>

Additionally, member states are often hesitant to boost defense spending. One idea is to use profits from frozen Russian assets to finance defense initiatives, but this has been met with mixed reactions due to its complex legal and ethical implications.

Moreover, political will among member states is crucial for the EU's defense ambitions. The push for a dedicated European Defense Commissioner aims to centralize and strengthen the EU's defense policy, but this requires member states to agree to cede some sovereignty over defense matters to the EU.<sup>9</sup> There's also tension between NATO and the EU, with NATO worried about overlapping responsibilities and potential conflicts in defense capability targets. The EU's efforts to build its defense identity will only succeed if member states see it as complementing NATO rather than competing with it. This requires robust diplomatic efforts and strategic alignment between the two entities.

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<sup>8</sup> Ibid

<sup>9</sup> Jacob, Emmanuel. "The Future European Commissioner for Defence: A Missed Opportunity or a Success Story?" *EUROMIL*, n.d.

Lastly, regulatory hurdles present another significant obstacle. Establishing the European Defense Industrial Strategy means creating a unified regulatory framework to support joint procurement and production of defense equipment. Historically, national interests and protectionism have hindered such efforts, leading to fragmentation and inefficiencies in the European defense market.<sup>10</sup>

The proposal for a new European Defense Industry Programme and a structured approach to defense procurement marks progress, but harmonizing regulations across member states is complex and politically sensitive. Achieving interoperability and standardization of defense equipment within the EU, while avoiding duplicating NATO standards, requires a careful balance.

Success also depends on incentivizing private defense companies to prioritize EU projects. Proposals like "ever-warm" factories and stockpiling critical components aim to ensure supply chain reliability, but the regulatory environment must encourage sustained investment and innovation in the defense sector.<sup>11</sup>



Image source: Reuters

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<sup>10</sup> Levantovskaia, Kathryn. "Pax Americana vs. Autonomy: How the US and EU Defense Industrial Strategies Diverge." *Atlantic Council*, April 17, 2024.

<sup>11</sup> Besch, Sophia. "Understanding the EU's New Defense Industrial Strategy." *Carnegie Endowment for International Peace*, March 8, 2024.

## **Institutional Challenges and Skepticism:**

The EU's expanding role in defense has sparked concerns and skepticism from NATO and some EU member states. NATO Secretary-General Jens Stoltenberg has stressed the need for clear coordination between NATO and the EU to avoid conflicts and ensure effective collaboration. Stoltenberg has warned against the EU setting its own standards for munitions, which could create interoperability issues and undermine NATO's established guidelines. These concerns are shared by several NATO members who fear that the EU's initiatives might duplicate or even conflict with NATO's established roles.<sup>12</sup>

Skepticism also arises from within the EU. Some member states are wary of the EU's ability to manage defense initiatives effectively, fearing that the EU's regulatory and bureaucratic frameworks might hinder defense coordination and readiness. The political dynamics within the EU, including varying levels of commitment to defense spending and collaboration, further complicate these efforts.

Former NATO Assistant Secretary-General Camille Grand pointed out that there is "a bit of a feeling of being the newcomer and the junior partner" on the EU side, leading to fears that NATO's expertise might overshadow the EU's initiatives.<sup>13</sup>

Despite these challenges, it is crucial for the EU to push forward with its defense initiatives. The establishment of a dedicated defense commissioner and the implementation of the EDIS can streamline defense initiatives, reduce duplication of efforts, and enhance cooperation among EU member states. This institutional synergy is vital for maximizing the effectiveness of defense spending and initiatives.

## **Conclusion:**

In conclusion, the EU's transformation from a funder to a defender marks a significant strategic shift. The introduction of a defense commissioner and initiatives like the European Defence Fund are critical steps towards this goal. However, achieving these ambitions is fraught with challenges. Financial constraints, political will, and regulatory hurdles must be navigated carefully. The EU's success in this endeavor will depend not only on its internal cohesion but also on its ability to coordinate effectively with NATO, ensuring that their efforts are complementary rather than conflicting. Despite these challenges, the necessity of this shift is clear. By enhancing its defense posture, the EU aims to secure its autonomy and stability, reducing reliance on external actors. This strategic evolution is not just about meeting current security needs but also about preparing for future uncertainties. It represents a forward-looking approach that is essential for the EU's long-term security and resilience.

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<sup>12</sup> Lau, Stuart, and Jacopo Barigazzi. "Who's the Boss When It Comes to Defense: NATO or the EU?" *POLITICO*, April 12, 2024.

<sup>13</sup> Ibid