

Panel Discussion

The EU Strategic Compass: Navigating a New World of Threats

Eine Veranstaltung im Rahmen der Kooperation mit dem Bundesministerium für Landesverteidigung.

Summary erstellt von: Loïc Simonet

Keywords: European Union (EU), Strategic Compass (SC), Threat Analysis, European External Action Service (EEAS), Common Security and Defence Policy (CSDP), EU Global Strategy (EUGS), European Peace Facility (EPF), European security and defence culture, Crisis Management, Resilience, Capability Development, Partnership, Permanent Structured Cooperation (PESCO), EU Rapid Deployment Capacity, EU Hybrid Toolbox, Article 42.7 TEU (mutual assistance guarantee), NATO

Keynote Panelists:

Dr. Jana Puglierin

European Council on Foreign Relations, Head of the Berlin Office and Senior Policy Fellow (*online*)

Dr. Saskia Stachowitsch

Affiliated Researcher at the oiip, FWF Senior Research Fellow at the Central European University (CEU)

Mag. Stefan Huber

seconded by the EEAS as Senior Adviser of the Director General for Defence Policy, Austrian Ministry of Defence

Moderation:

Dr. Loïc Simonet

oiip

Datum: 1 June 2022

Blended format (OIIP and online)

Recording of the workshop available under:

<https://www.youtube.com/watch?v=6GskswqfNbA&t=4s>

Executive Summary:

The Strategic Compass (SC) positions the EU as an **enabler for Europe's defense**. It sets incentives not only to **spend more but also to spend better**. It makes the **EU crisis management and stabilization efforts at our periphery** (Africa, Middle East) **more flexible, faster and more effective**. It also clarifies **EU-NATO relationship** and constructive cooperation.

At the same time, the SC says a lot about **EU's identity**, about **"Europeanness"**. It carries some **tension** between an all-encompassing sense of threat and the enhancement of military capabilities. It might **delegitimize the EU's** diplomatic, dialogue-oriented, soft-power approach, and says little about **how to strengthen values** such as cooperative multilateralism, peaceful interdependence, rule-based international order, human rights and fundamental freedoms.

Other challenges remain:

- To **convince EU citizens and national Parliaments**;
- Skepticism on the **EU Rapid Deployment Capacity**;
- the **clarification and synchronization of different instruments**;
- The implementation of **Article 42.7 (assistance clause)**;
- The issue of **gender**, which the war in Ukraine has exacerbated and which would require a **more meaningful engagement**.

The SC confirms the **"Europe in danger"** (Borrell) in which we are living. As a strategy conceived and largely drafted before Russia's invasion of Ukraine, it **might simply have been overtaken by events**. Some narrow-minded souls point out that **the war in Ukraine « killed » the SC** while rejuvenating and overhauling NATO, which 2 years ago had been diagnosed "brain dead".

However, the SC presents a **realistic way forward for EU security policy in the near-term**. As its implementation is member-state driven, it will be of **paramount importance that the EU member states demonstrate the necessary political will to actively engage themselves in the implementation process** by together addressing key issues such as speeding up decision-making, closing the capability shortfall gaps and being better prepared for 'acting' and 'securing' – in particular by conducting exercises. So **the political momentum needs to be maintained**.

Although the war in Ukraine has triggered **unity in Europe**, **cracks appear between member States**. **Transatlantic "honeymoon"** and **US commitment to Europe** remain a **fragile illusion**. Similarly, SC's

language on China might not be future-oriented enough. **Europeans will be asked to position themselves on China in the very near future.**

Main deliverables for Austria:

- The SC challenges certain of Austria's interests and priorities, due, *inter alia*, to its **limited military capabilities** and its **status of neutrality**. However, just like its neighbours, Austria needs to be prepared for a **more confrontational European security order**.
- The SC highlights **Austria's faithful EU engagement in CSDP/CSFP**, despite some discrepancy between **Austria's official commitment and the inglorious reality of its slow contribution to PESCO**, as well as the convincing **alignment of Austria's bilateral and multilateral engagement in the Western Balkans and complementarity with the EU strategy**.
- Austria expects from the SC **clear political guidance, concrete strategic objectives** to define **what kind of security and defense actor** the EU needs to be.
- **Multiple references to the UN and the OSCE** reinforce Austria's conviction that a **multilateral, rule-based international order** must remain at the center.
- The SC also reveals **further drifting apart between two Austrias**: on the one hand, an **Austria eager to "do the work"**, clearly committed and interested to become part of the European security, defense culture and institutional framework; on the other hand, an **Austria stuck in a very cautious and vague domestic debate on neutrality**. There are several topics that Austria can no longer run away from: **what is the role of armed forces in this society and in the larger European context?** What is the **meaning of being actively neutral?**
- Work needs to be done regarding **implementation aspects of Art. 42.7**, and which kind of scenario would allow Austria to invoke the "Irish clause".

The Moderator introduced the Strategic Compass (SC) approved by the Foreign Affairs Council on 21 March and subsequently endorsed by the European Council, and its four main areas:

- Crisis management (*act*), with a Rapid Deployment Capacity of up to 5,000 troops as a flagship initiative;
- Resilience (*secure*);
- Capability development (*invest*, perhaps the most concrete and promising in the Compass); and finally
- Partnerships.

He recalled previous Oiiip's commitment with regards to the SC (contribution to the book *Der Strategische Kompass der Europäischen Union: Ziele, Perspektiven und Chancen für Österreich*, presented by Defense Minister Klaudia Tanner on 8 November 2021, also accessible in form of a Policy Paper on the Oiiip's website; contribution to the Conference on *The Strategic Compass of the EU: what now?*, organized at the Landesverteidigung Akademie in Vienna on 6 April 2022).

« What now? », Simonet asked. There is a long list of deliverables, and the generous wording does not guarantee successful implementation. As High Representative Josep Borell pointed out, the Strategic Compass is anything but a “magic stick”. Benefiting from the endorsement of the Member States, the Compass's successful implementation will nonetheless depend on their political willingness, which can never be taken for granted, Simonet underlined. The operability of the Compass's agenda will need to overcome several obstacles, starting with the EU's slow decision-making processes. Having clearly signaled that it seeks a bigger global role and it is willing to pursue its interests through traditional hard power, the EU will be left exposed if it cannot.

Will the EU be able to keep up the momentum for developing its defence capabilities? Will the Strategic Compass be a game-changer for EU security and defence? Adversely, has it already been overtaken by Russia's war of aggression against Ukraine, as Nick Witney, Senior Fellow at the European Council on Foreign Relations (ECFR), recently argued in a paper titled “*The EU's Strategic Compass: Brand new, already obsolete*”?

Session 1: A quantum leap forward?

The Moderator asked a first set of question to the Panelists:

Does the SC meet the expectations? What are the breakthrough aspects? What are the strengths and weaknesses? What is possibly missing? How is the EU/NATO convergence addressed, in the perspective of NATO's 2022 Strategic Concept? Which post-2022 follow-up?

Jana Puglierin said her own expectations were met. The SC provides with a concrete roadmap for defense and security. According to her, its 2 biggest strengths would be: 1) **Clarifying EU-NATO relationship** and constructive cooperation and the need to work closely together, following years of toxic debate about strategic autonomy. The SC positions the **EU as an enabler for Europe's territorial defense**, as evidenced by the commitment of the member States to invest more in defense capabilities and innovation technologies. The SC sets incentives not only to **spend more but also to spend better**. Replying to a question from the audience, she further developed on **standard alignment** and **innovation**, valuing SC mechanisms such as the annual defense ministerial meeting on the **EU capability initiative** or the **Innovation Hub** within the EDA. However, she recalled the **2008 financial crisis**, with Member States suddenly cutting their defense spending without coordination, creating huge gaps in European capabilities. With a limited timeframe to spend the money, the danger is to see many countries buying whatever is available on the shelves in order to fill their needs. Therefore, Puglierin called for the EU to push for **more cooperation in spending and more alignment**.

Puglierin believed that we will face **tough time to convince EU citizens** to sustain this high level of defense spending and we will have to make convincing case that we can achieve more at less cost. This is also beneficial to boost NATO's defense and deterrence capacities. 2) Although Puglierin feels an "intervention fatigue" after Afghanistan and Mali, the pressure will mount on **crisis management and stabilization efforts at our periphery** (Africa, Middle East). So far, Member States have been very shy in using operational structures and capabilities at their disposal and provide necessary forces. The SC makes the **EU crisis management more flexible, faster and more effective**. From a German perspective, it is promising. In particular, the **European Peace Facility** (EPF) could help EU's collective action outside of the Union.

On the opposite, J. Puglierin expressed skepticism about the **Rapid Deployment Capacity**, in particular since the Member States have failed to meet the 1999 Helsinki Headline Goal aiming to develop a future European Rapid Reaction Force. During the Q&A session, she further criticized the RDC concept and underlined some **member States' skepticism**.

Responding to questions from the audience, Puglierin further commented on **EU cyber-defense** and the SC's **cyber toolbox**.

The Moderator quickly followed-up on the need to convince EU citizens: if it is the EU's long-term plan to become a defense union, it will need to **gain its citizens' support** for this and take their interests and preoccupations into account ("bottom-up" approach), as well as the **national parliaments**, which role and contribution are not addressed into the SC.

Stefan Huber recalled the critical voices at the beginning of the SC process, specially from academia: just another paper, too bureaucratic exercise... For him, the SC is a **"Yes, we can" moment for the EU**. It is a frame for the **implementation of a political ambition**. Quoting Sven Biskop, Huber compared the Compass to a defense strategy, something which has never existed before. The SC demonstrates how much margin of manoeuvre the Treaty of Lisbon has provided, without being fully used. During this **State-driven process**, the level of discussion among Member States about security policy topics has been remarkable. More than 60% of the measures listed in the SC are scheduled for this year. In terms of process, the SC has also demonstrated the EU capacity to adapt itself to different roles such as secretariat, coordinator or pen-holder.

A few topics might have been insufficiently addressed, according to Huber: the **clarification and synchronization of different instruments; article 42.7 (assistance clause)**, which will soon be further developed in an implementation paper; as well as **unanimity/majority vote**, which has been problematic in the past when 1 or several Member States have blocked consensus.

The **SC refers 29 times to NATO**, which says a lot. There are 70 areas of cooperation between the EU and NATO. On the issue of **complementarity vs. duplication**, Huber warned: in order to set civilian missions up, one needs the full spectrum of planning and operational cycle. *"You may only have a small car and not the Rolls Royce some other Organizations may offer you, but sometimes you just want to have your own car"*, Pedro Serrano, Head of the Office of HRVP Borrell, once said. So we have to be careful that **we have the full capacity to organize, plan, command and conduct our own missions ourselves**.

During the Q&A session, Huber further addressed the issue of **interoperability** and **standard alignment**, with the Commission package promoting **joint procurement**.

Saskia Stachowitsch brought the discussion towards **identity construction**. Documents such as the SC do not only tell us about what to do, what to implement and how: they also say a lot about **who the**

EU wants to be as a security actor, about “Europeanness”. **What kind of identity is the SC constructing**, against the backdrop of a massive crisis of the EU in all policy fields? The build-up of military capability is not problematic in itself, but we need to **keep thinking about the link between an all-encompassing sense of threat and the enhancement of military capability**, so that we are not constructing this link unquestionably and we do not subsume all kinds of societal challenges with regards to security. The SC thinks widely and rightly so, and includes aspects such as decarbonization and migration, but we should continue to **be mindful about reframing certain societal issues in terms of security**, and about the **tension** between the threat perception that the SC entails and the concrete plans for enhancement of capabilities, infrastructures, institutions, cooperative mechanisms. How the SC relates to this is of utmost importance.



Stachowitsch also pointed out that this momentum, this willingness to be a security actor, to be assertive, robust, competitive, sometimes occults the EU’s own imagined past. So there is a slight **delegitimization, problematization of what the EU has been as a security actor** in terms of diplomatic, dialogue-oriented, soft-power approach. The SC promotes

values such as cooperative multilateralism, peaceful interdependence, rule-based international order, human rights, fundamental freedoms, democratic values, but **says little about how we could strengthen these values**.

Replying to a question on cybersecurity and hybrid threats, Stachowitsch suggested to **look beyond the CSDP approach**, since this topic is also closely connected to **innovation technology**. EU’s move to become a security actor has an **impact on all kind of cross-cutting policy fields**, and we cannot rely on CSDP only to address them, at least on a scholarly perspective.

The Moderator jumped in to underline the **protective tone** of the SC. The Compass is indicative of a mindset which has already encroached on many areas of EU policy: an EU that protects. We are getting closer to a doctrine that Richard Youngs (Carnegie Europe) has called “**protective security**”. It is a far cry from the EU’s origins and its more progressive optimistic approach. The SC threatens to take the EU further down a kind of “protective path”.

Session 2: Austria and the Strategic Compass

The Strategic Compass inevitably challenges certain of Austria's interests and priorities, due, *inter alia*, to its limited military capabilities and its status of neutrality. However, just like its neighbours, Austria needs to be prepared for a more confrontational European security order.

The Moderator particularly asked Saskia Stachowitsch and Stefan Huber to provide with their views. S. Stachowitsch was invited by Defense Minister Klaudia Tanner to join her on 8 November 2021, when she presented her book on the Strategic Compass to the press. S. Huber moderated the conference jointly organized by the Defense Ministry and the French EU Presidency on 6 April.

To trigger the discussion, Simonet underlined he was personally struck by the number of press articles calling Austria to rethink its policy of neutrality or at least to show flexibility in adapting its neutrality to changing conditions, a week before, when Finland and Sweden opted to join the Atlantic Alliance. Der Standard ("Neutrales Österreich? Wie (un)realistisch ein Nato-Beitritt ist »), Die Presse (« Österreich muss nun mit Finnland und Schweden der Nato beitreten »), Deutsche Welle ("Will Austria abandon neutrality to join NATO? »), even the Irish Times and several others... This goes far beyond the Strategic Compass, but can we say that the current circumstances in Eastern Europe have generated an "*instant de vérité*" for Austria, he asked?

For **Saskia Stachowitsch**, the answer to this question, once again, depends on **what we think Austria is**. And this brings us again to the question of **identity**. On the one hand, there is an Austria which is very engaged in the international arena, very active within the EU in the security field, which has a clear commitment and interest to become part of the European security and defense culture and institutional framework. So **Austria is clearly eager to do the work**, has evidenced by the country's contribution to PESCO projects, most of the time without too much public attention. The beauty of the SC is to allow for such more international security identity and live it to the fullest. On the other hand, this does not impede a **very cautious and vague debate Austria has on these issues at the domestic level**. Therefore, Stachowitsch feared that we would have a **further drifting apart of these 2 Austrias**: one which is active and is doing things; the other which is stuck into domestic debate on neutrality. The articles the Moderator mentioned, she said, give us a lot to think about how political identity is formed in Austria, how it related to defense and security issues. There are several topics that Austria can no longer run away from, but continues to escape miraculously: **what is the role of armed forces in this society and in the larger European context?** What is the meaning of being actively neutral? All these questions have a life of their own, from Austria's engagement regarding the SC. So maybe there

is a way we could now have this conversation. But she did not see this happening when the SC was announced, nor when Russia invaded Ukraine. So a **persistent disconnection between different aspects of Austria**, Stachowitsch concluded.

Answering to a question from the audience, S. Stachowitsch noted that **security politics and foreign politics have been treated equally**, which should not be the case. We are at risk of **lacking a true foreign policy culture** that would allow us to address political developments in the world and how we can sustain peace together with others, and of slipping into a **purely technocratic angle**.

Stefan Huber concurred, while also highlighting **Austria's faithful EU engagement in CSDP/CSFP**. Austria is convinced that **an improved and deepened EU security policy is beneficial to Austria's own security**. In the last 20 years, Huber found only one occurrence when Austria was difficult: the negotiation on the European Peace Facility at the end of 2020. At the same time, Huber pointed out that, in parallel to this political support, there is a **lack of political discussion**, even the **absence of academic articles**. This faithful contribution was also continued regarding the SC, at ministerial and technical levels. Austria expects from the SC **clear political guidance, concrete strategic objectives to define what kind of security and defense actor the EU needs to be**.

Huber also highlighted **multiple references to the UN and the OSCE**, as well as the **alignment of Austria's bilateral and multilateral engagement in the Western Balkans and complementarity with the EU strategy**. Austria has set a very convincing example of contribution to the fulfilment of EU strategy.

Work needs to be done regarding implementation aspects of **Art. 42.7**, and which kind of scenario would allow Austria to invoke the "Irish clause",¹ something that the forthcoming EEAS operational paper can provide with. In that regard, Huber suggested to have a closer look at the reasons why Baltic

¹ Clarification of the Moderator: at an Irish referendum on the Lisbon treaty, in June 2008, 53.4 per cent of participants voted 'no' after campaigners argued that that it could undermine Ireland's military neutrality, making reference to Article 42.7. The European Council adopted in July 2009 a decision that provided guarantees to Ireland on defence matters. They included the discretion for countries with a traditional policy of neutrality "to determine the nature of aid or assistance" in the case of armed aggression on the territory of another member state. This safeguard clause under Article 42.7 addressed the concerns of Irish voters about safeguarding the traditional policy of neutrality. As part of this mutual assistance clause, the article is prefaced by the statement that it "shall not prejudice the specific character of the security and defence policy of certain Member States" (see Clara Sophie Cramer and Ulrike Franke, "Ambiguous alliance: Neutrality, opt-outs, and European defence", European Council on Foreign Relations, Essay Collection, 28 June 2021, <https://ecfr.eu/publication/ambiguous-alliance-neutrality-opt-outs-and-european-defence/#committed-neutrality-irelands-approach-to-european-defence-cooperation>).

and Scandinavian countries were so interested, well before the SC, in expending the operational aspects of Art. 42.7.

Finally, S. Huber pointed out the **discrepancy between Austria's official commitment and the inglorious reality of its slow contribution to PESCO**, something that the SC will make more difficult. By staying out of the group, you may undermine your assertion that more security at EU level is also more security for Austria. Being a proactive and "honest broker" is fine, but one needs to assume the risks.

The Moderator concluded this 2nd session recalling that it is exactly today that **Denmark is holding a referendum on whether to overturn its defense opt-out**, following a broad multi-party defense agreement reached after the Russian invasion of Ukraine. It seems that more than 65 percent of the country's voters are expected to vote in favour of dropping this exemption and fully align Denmark on EU's defence and security policy. Let's see if it inspires others, he said.

Session 3: The Strategic Compass and the return of war in Europe

Russia's unprovoked invasion of Ukraine constitutes a **rude geopolitical awakening**, calling into question many of Europe's fundamental assumptions. The conflict in Ukraine has certainly brought closer the points of view between the Central European and Western European countries. However, as a strategy conceived and largely drafted in the days before Vladimir Putin changed the world, **the Strategic Compass might simply have been overtaken by events**.

Some narrow-minded souls point out that the war in Ukraine « killed » the Strategic Compass while rejuvenating and overhauling NATO, which 2 years ago had been diagnosed "brain dead". It is certainly overexaggerated, but now that the whole defensive posture against Russia relies on the Transatlantic link, it is a matter of fact that no one will rush to stand up a new EU force.

The war in Ukraine is also challenging European strategic autonomy at the financial level. Failure to provide adequate financial resources to develop the objectives and capabilities listed in the Strategic Compass remains a real risk. With billions and billions of Euros mobilized by the EU to support Ukraine (and tomorrow to deal with its full rebuilding) and the member States which provide military assistance to Ukraine, to manage the energy transition following the interruption of Russian gas and oil flows, to welcome the refugees, etc., not much will be left for the implementation of the Strategic Compass, especially its "Invest" chapter. Not much

will be left for European R&D and for “spending more and better », as J. Puglierin highlighted and as the Compass calls for.

So is the “European momentum” over, the Moderator asked?

Stefan Huber referred to the **EU Commission’s contribution to European defence** (COM (2022) 60 final, 15.2.2022) and suggested to read the SC together with it. In his view, the SC is a timely exercise which has not been overtaken by the war in Ukraine. A decade of CSDP developments, a huge number of initiatives and the efforts of EU institutions (EU Military Staff, Military Planning and Conduct Capability (MPCC), CSDP services at the EEAS) prepared the path and made it possible to react so fast. So Huber saw the SC as **the result of a dynamic CSDP in the past years**. Security policies are only relevant when individual citizens are affected by them, Huber said. The SC comes at a moment when we all feel closely affected by threats: “**Europe is in danger**”, HRVP Borrell highlighted. The SC confirms the dramatic situation we are living.

Saskia Stachowitsch asked: what would we do differently in EU’s engagement with Russia if we had everything implemented in the framework of the SC? Probably it would not be so different, since what paralyzes us is not only the fact that we do not have shared infrastructures or capabilities, but the political question of **what we want to achieve. Strategy is nothing without political goals**, she emphasized. No strategic document, no action plan can do that for us: this is something that needs to be further worked up within the SC.

She highlighted one aspect about the war in Ukraine, which points to an omission in the SC: the issue of **gender**. We are seeing rampant gender-based violence, militarism connected with outdated notions of masculinity, migration patterns and violent borders, women and children instrumentalized as refugees. If the EU is not better equipped to do a gender analysis of crisis and wars at its neighborhood, it will also be **ill-equipped to address gender insecurities and protect civilians with egalitarian gender regimes in post-conflict rehabilitation**. The SC briefly talks about gender, but mostly refers to women in their passive status as victims and draws rather technocratic solutions regarding women’s involvement in operations. Stachowitsch advocated in favor of a **more meaningful engagement on this issue**, also referring to the notion of **identity** she highlighted earlier: gender equality is very central to what we understand to be European identity.

Finally, **Jana Puglierin** highlighted the **unity on threat analysis** and the feeling of “all hand on deck” generated by the war in Ukraine. The war also changed the **Member States’ commitment on defense spending**. The EPF benefitted from this move as a valuable tool, something which was not unanimously

shared before the crisis. The **language on Russia** also changed significantly. On the way the SC might change the way the EU addresses such crisis at its doors, Puglierin believed that the EU, 2/3 years down the road, would certainly be **better prepared in terms of military mobility, strategic enablers, independence from the US, resilience of our societies and the global commons**. So the SC would enable us to endure a long-term confrontation.

Although the war in Ukraine has triggered **unity in Europe**, we already see this **unity fading and cracks appearing between member States**, she noted. So we should be careful to **use this momentum wisely** and bridge the gaps which are already emerging. The war reinforced complementarity between NATO and the EU. However, Puglierin warned against the **illusion of this Transatlantic “honeymoon”** and possible change of mindset in the US, following forthcoming elections. This **US commitment to Europe is very fragile**, she said. Another challenge for the future is **China**. In the SXC, the language on China did not change that much, despite China’s support to Russia’s actions and the 4th of Feb. 2022 Declaration. This might not be future-oriented enough, she believed. **Europeans will be asked to position themselves on China in the very near future**. Last but not least, we need to continue to be **mindful of an excessive securitization** of different issues, she said. At the same time, our adversaries use their engagement in our neighborhood strategically, for instance **weaponizing food deliveries to Africa and the Middle East** and using new **means of warfare**.

Addressing a question from the audience, Puglierin further developed on the Partnership basket of the SC and the way it allows the EU to be a **more attractive partner**. The EU needs a **more “granular” approach with regards to partnerships**, she suggested, and needs to **diversify its partnership in the Indo-Pacific region, as a way to counter-balance China’s influence**.

The Moderator concurred on China, remarking that the SC is downplaying the threats posed by China and the relevance to Europe of what is surely the **center of gravity of the 21th Century: the Indo-Pacific region**. It is a bit like the **EU is acting more as a regional power than a global one**, he said.

The Strategic Compass presents a **realistic way forward for EU security policy in the near-term**, he concluded. The current security reality, with the return of war in Europe, leaves no other choice than to implement it according to its ambitious timelines. As the implementation of the Compass is member-state driven, it will be of **paramount importance that the EU member states demonstrate the necessary political will to actively engage themselves in the implementation process** by together addressing key issues such as speeding up decision-making, closing the capability shortfall gaps and being better prepared for ‘acting’ and ‘securing’ – in particular by conducting exercises. So **the political momentum needs to be maintained**.

Naturally, **political willingness has to be backed up with adequate budgets and collaborative investment**. The upcoming years will prove whether the EU and its member states will be able to square its ambitions with actions and become a more mature and self-reliant actor in the area of security and defence. Otherwise, the « language of power” spoken by Josep Borrell will be left with no back up in terms of action or materiel.