



# IPRIS Viewpoints

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## Pooling and Sharing: A Contribution to the European Integration?

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In March, following the Council of the European Union (EU) meeting of defense ministers in Brussels, the European Defence Agency (EDA) Chief Executive Claude-France Arnould drew attention to cuts in national defense budgets, stating that “the alert level has been reached and notably in the case of Research and Technology, the figures are worrying”.<sup>1</sup> The ministers had to discuss the future of the cooperation on defense policies at the EU level and to examine the projects of the “Pooling and Sharing” strategy submitted by the Agency.

Since the end of the Cold War, EU Member States have started a revolution in their armies, with the professionalization of the Armed Forces and the end of obligatory conscription, Germany being the last major country to follow this path. Moreover, most of Western European countries reduced their spending on armaments and military research and technology (R&T). Cuts in defense budgets have become even harsher due to the current financial and economic crisis. Between 2009 and 2010 military spending has fallen by 2.8%, even though there are differences among countries, as the declines were steeper in Central and Eastern European

countries, between 28% (Bulgaria) and 10% (Albania, Slovakia).<sup>2</sup>

The overall picture shows that Europe and Asia have been the regions the most affected by the crisis, whereas the United States has reinforced its position, and military spending increased in the Middle East, Africa and Latin America. These data confirm the regression of the EU countries in defense capabilities at a global level, with the exception of the United Kingdom (UK) and France. Even more striking, the figures on R&T illustrate a decrease of 22% between 2006 and 2010. Considered together, EU Member States spend as little as 1% of their defense budget on R&T, while their target was 2%.<sup>3</sup>

Reducing national defense budgets is a logical strategy in times of austerity. However, the risk exists that cuts in military capabilities could affect the EU role as a global player and its capacity to lead civilian and military missions, or even to maintain the missions already deployed. From a strategic point of view it is necessary to balance budgetary measures and geopolitical priorities in order to avoid a shortage of capabilities. EU Member

1 Claude-France Arnould, “Defense - Press Conference” [Council of the European Union – Foreign Affairs, 22 March 2012].

2 “Trends in military spending in Europe, 2010” [SIPRI Yearbook, 2011], p. 186.

3 Nicolas Gros-Verheyde, “Budget militaire R&T: la cote d’alerte est atteinte” [Bruxelles2, 22 March 2012].



States must find a solution to their chronic deficiency when it comes to supporting military missions. The recent example of the intervention in Libya has shown that the EU Member States are not yet able to intervene promptly to secure their interests, but they still rely on the deployment of forces by the United States. The latter is speaking out strongly to convince EU states to provide for their own security. Robert Gates, the former US Secretary of Defense, pointed out that the US share of NATO spending has risen to more than 75%, while it accounted for about half of the budget during the Cold War,<sup>4</sup> underlining the lack of support by European allies in terms of budget, troops and capabilities during the Libyan crisis.

The European Union has repeatedly expressed its aim to play a role as a global player, and since the establishment of the Common Foreign and Security Policy (CFSP) with the Maastricht Treaty in 1993, some results have been achieved. Despite the progress made with the Lisbon Treaty – which endows the High Representative of the Union for Foreign Affairs and Security Policy with more power and a diplomatic service, the European External Action Service (EEAS) – the foreign policy of the EU still follows the intergovernmental decision making process, and in this field Member States are far from unity. Therefore, the main achievements in the direction of a rationalization of defense budgets and a common defense strategy have been reached through bilateral agreements. France and the UK, the two main European military powers, have a long and well established tradition of cooperation and signed a cooperative defense agreement in November 2010.

The same idea inspired Belgium and the Netherlands when they agreed upon joint training of Special Forces and the purchase of NH-90 helicopters, as well as F-35 fighter

aircraft.<sup>5</sup> The logic of these actions is to preserve the capability of European armies by reducing costs through the elimination of duplications and the rationalization of resources. Nevertheless, the cooperation is still insufficient and limited to a few of good examples. The EU should aim at giving a comprehensive strategy for all its Member States, so that greater savings can be done and the role of the EU can be more credible.

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In this respect, Member States have agreed on the “Pooling and Sharing” strategy: the idea is on the one hand to solve capability gaps and the other to avoid duplication, in order to realize savings and reach a better interoperability. The strategy was the outcome of the Ghent initiative<sup>6</sup> elaborated under the Belgian Presidency of the EU in November 2010, and was also a response to the NATO “Smart Defense” concept. EU Member States had tasked the European Defence Agency<sup>7</sup> to come up with concrete proposal by the Autumn 2011: there are 11 projects covering a wide range of sectors, ranging from a maritime surveillance network to military satellite

communications and medical field hospitals. During their last meeting, the defense ministers endorsed these projects and reiterated their commitment to cooperate in the field of defense R&T. However, some proposals to further strengthen inter-dependency have been blocked

4 Valentina Pop, “US defense chief: Europe may no longer be worth defending” (*EUobserver*, 10 June 2011).

5 Belgium may follow The Netherlands and replace the F-16 with F-35. Nicolas Gros-Verheyde, “Belges et Néerlandais se déclarent leur flamme” (*Bruxelles2*, 19 February 2012).

6 European Imperative Intensifying Military Cooperation in Europe, Pooling and Sharing German-Swedish Initiative, November 2010

7 The European Defence Agency was established in 2004 “to support the Member States and the Council in their effort to improve European defense capabilities in the field of crisis management and to sustain the European Security and Defense Policy as it stands now and develops in the future”. Twenty-six member states participate in EDA, including all EU Member States except Denmark; Norway benefits of an opt-in status but has no voting rights.



by the veto of the UK. The idea of a common headquarter based in Brussels, for example, was proposed by the High Representative Catherine Ashton but immediately rejected by British Foreign Secretary William Hague. EU military missions are run out of national centers in the UK, France, Germany, Greece and Italy, and this entails a loss of expertise when a project is over. Ashton's proposal aimed at developing and saving the European expertise, and it was backed by five Member States (France, Italy, Germany, Poland and Spain).<sup>8</sup> Considering the current attitude of the UK towards European integration, namely expressed by the refusal to sign the recent Fiscal Compact Treaty, one can ask whether it would be opportune to pursue the coordination of national defense policies through two main channels: the reinforcement of the EDA and the development of a Permanent Structured Cooperation.

The European Defence Agency can have a major role in mapping European capabilities and providing evidence of which sectors face shortfalls and in which others savings can be made. The tasks of the Agency should not be reduced to statistical and bureaucratic support, but may also include a decision making dimension, making of it a sort of European military headquarters. The shift from a technical agency that deals with armaments and the equipment market to a more political body would not involve a change in its structure, which already guarantees political accountability. Indeed, the EDA Steering Board is composed of defense ministers, a representative of

the European Commission, the EDA Chief Executive, and is headed by the High Representative. To complete this picture, the European Parliament should be consulted on the decisions, bearing in mind that foreign and security policy is still a national domain.

Moreover, Member States should fully take advantage of one of the innovations brought by the Lisbon Treaty: the Permanent Structured Cooperation. This new tool has been used two times so far<sup>9</sup> and will become a decisive tool to assure the deepening process of the institutions of the EU. Initiatives in the framework of the "Pooling and Sharing" strategy can be further developed by a smaller group of countries that wish to do so. Due to its military potential and the traditional interest in creating a "Europe of Defense", France can take the lead of this movement. The risk is to have a fragmented European Union and to encourage the formation of several groups of countries that would make the current complexity even worse. To avoid that, Permanent Structured Cooperation should involve a significant number of countries, in particular those with major military capabilities, and be as open as possible to allow other Member States to join it.

The European Union has shown in the past that in times of economic and political crisis it can find the courage to tackle new problems and relaunch the integration process. This is the time to rethink in depth the overall structure of the Union and innovations in the defense sector should be taken into account as a part of a new strategy for the deepening of the European integration.

8 Andrew Rettman, "Group of five calls for EU military headquarters" (*EUobserver*, 9 September 2011).

9 *Ibid.*

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