1. Euro-Atlantic security and institutions

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I. Introduction

Pragmatism dominated Euro-Atlantic relations in 2005. Beyond the still basically unsolved rift over Iraq, the United States and the European countries that are members of the European Union (EU) or the North Atlantic Treaty Organization (NATO) have recognized their roles in global affairs as complementary and cooperative rather than divergent and confrontational. In some cases, the flow of Euro-Atlantic cooperation has reverted to international institutions such as NATO, the Organization for Security and Co-operation in Europe (OSCE) and the United Nations (UN). In other cases, bilateral channels have been used for rapprochement, but much less is now heard from the USA about the value of ad hoc coalitions. The EU's Constitutional Treaty setback in 2005 raised questions about the EU's ambition to be a more effective security actor in world affairs, while NATO strove to underline its relevance by embarking on new kinds of missions.

Relations between Russia and other post-Soviet states on the one hand and the West on the other have not taken any decisive turn. The recognition of Russia's importance in Eurasia beyond its post-Soviet sphere of influence, including Iran, Korea and the Middle East, continued to underpin efforts for strategic cooperation. Several Western actors, however, voiced their concerns more clearly than earlier regarding Russia's domestic political course.

Pragmatism has also prevailed in the policies of the West towards the Western Balkans. Alongside the continued peacekeeping and peace-building effort, attention has switched to how those entities that have not arrived at a final settled status (Kosovo, Serbia and Montenegro) may reach one without destabilizing the region.

Section II of this chapter discusses the development of US policies. Section III offers a brief overview of inter-institutional relations in the Euro-Atlantic region. Section IV analyses EU developments. Section V reviews developments in NATO, and section VI briefly addresses the results of the OSCE reform process. Section VII examines developments in the former Soviet area, and section VIII presents the conclusions. Current issues in the Western Balkans are examined in more detail in appendix 1A.

II. The policies of the United States

The USA started 2005 with a 'new' administration following the re-election of President George W. Bush in November 2004. The president emphasized one

policy theme in two early, major speeches. In his inauguration speech Bush said: 'All who live in tyranny and hopelessness can know: the United States will not ignore your oppression, or excuse your oppressors. When you stand for your liberty, we will stand with you. Democratic reformers facing repression, prison, or exile can know: America sees you for who you are: the future leaders of your free country'.[1] Two weeks later in his State of the Union Address the president stated:

The United States has no right, no desire, and no intention to impose our form of government on anyone else. That is one of the main differences between us and our enemies . . . Our aim is to build and preserve a community of free and independent nations, with governments that answer to their citizens, and reflect their own cultures. And because democracies respect their own people and their neighbours, the advance of freedom will lead to peace.[2]

Without dwelling on the possible inconsistencies, it is important to note the missionary zeal for the global spread of democracy that underlies the agenda of the USA under the current leadership and that follows historical and more recent precedents. The difference is apparently not in the zeal but in the means used to achieve the spread of democracy.

The Bush Administration's vision, however, is increasingly encountering practical barriers that curtail its freedom of action. Bogged down in Iraq and burdened by a still-rising budget deficit, US leaders have found their policies and allocation of resources coming under sharper domestic scrutiny, especially following the suffering caused in August 2005 by Hurricane Katrina.[3] The debate on US security policy has thus moved from the international to the domestic scene, while the USA's relations with other Western partners have improved in the absence of any new source of disagreement to match Iraq. The USA continues to approach the challenges of Iran and the Democratic People's Republic of Korea (North Korea)[4] in a diplomatic style that allows for European synergy, while the EU has pulled back from confrontation on issues like the possible lifting of its arms embargo on China.

While the US Administration modified its actions under the pressure of circumstances, some analysts have started to reassess the merits of Bush's strategy in the light of the long-term interests of the USA. One political analyst has argued that the key question for the USA 'is how multilateralism *should* be

[1] The White House, 'President sworn-in to second term', News release, Washington, DC, 20 Jan. 2005, URL <http://www.whitehouse.gov/news/releases/2005/01/20050120-1.html>. p. 2.

[2] The White House, 'State of the Union Address', News release, Washington, DC, 2 Feb. 2005, URL <http://www.whitehouse.gov/news/releases/2005/02/20050202-11.html>, p. 5.

[3] Senator Joseph R. Biden, a leading Democrat, recognized that the 'administration is beginning to realize it's not enough to be strong. We also have to be smart, that we can't secure America's interest solely with force, acting alone. I hope [Condoleezza Rice] completes the turn from ideology to reality'. Quoted in Wright, R. and Kessler, G., 'At State Rice takes control of diplomacy', *Washington Post*, 31 July 2005, p. A01.

[4] See chapter 13 in this volume.

defined and whether it can be reshaped to serve U.S. interests'.[5] Other analysts have noted signs, thus far inconclusive, that at least some of the world's major powers have started 'soft rebalancing' in order to constrain the power and the threatening behaviour of the USA.[6] Warnings have been issued concerning the current low standing of the USA in world opinion,[7] and attention has been called to the importance of US leadership being accepted willingly.[8] In some cases, it has become clear that extreme unilateral action by the USA also does not enjoy full acceptance among the members of the Bush Administration.[9]

The main items on the US security agenda in 2005 were the repercussions of the Iraq conflict, the continuing fight against terrorism, homeland security, problems of US intelligence and defence reform.

The Iraq conflict

The coalition presence in Iraq continued, but the number of states participating militarily alongside the USA continued to decline as more states decided to withdraw or reduce their forces or reassign them to less dangerous tasks.[10] This reflected not only the risks associated with a field presence in Iraq, but also the repercussions in the domestic political life of participating states. Iraq played a role in the change of government in Spain in 2004, contributed to the weakening of government legitimacy in the United Kingdom[11] and reappeared as an issue on the pre-election agenda of some other large European states, like Germany and Italy.[12] The fact that far more governments have been

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[5] van Oudenaren, J., 'Containing Europe', *National Interest*, no. 80 (summer 2005), p. 60. Emphasis in the original.

[6] Pape, R. A., 'Soft balancing against the United States', *International Security*, vol. 30, no. 1 (summer 2005), pp. 7–45; and Paul, T. V., 'Soft balancing in the age of U.S. primacy', *International Security*, vol. 30, no. 1 (summer 2005), pp. 46–71.

[7] See Public Agenda, 'Public Agenda Confidence in U.S. Foreign Policy Index', 2005, URL <http://www.publicagenda.org>.

[8] Walt, S. M., *Taming American Power: The Global Response to U.S. Primacy* (W.W. Norton: New York, N.Y., 2005).

[9] E.g., Secretary of State Condoleeza Rice found it difficult to speak for the policies represented by Vice President Dick Cheney regarding certain interrogation practices used on terrorists and secret prisons beyond the borders of the USA. In a major pronouncement on these matters Rice clearly distanced herself from the practice of torturing alleged terrorists, although she remained mute on secret prisons. US Department of State, Secretary Condoleezza Rice, 'Remarks upon her departure for Europe', 5 Dec. 2005, URL <http://www.state.gov/secretary/rm/2005/57602.htm>, p. 2.

[10] Ukraine decided to withdraw its troops from Iraq by the end of 2005. 'Yushchenko signs order for Iraq troop withdrawal', *Kyiv Post*, 22 Mar. 2005, URL <http://www.kyivpost.com/bn/22490>. The withdrawal was implemented by late Dec. 2005. 'Ukraine completes troop withdrawal from Iraq', *Moscow News*, 27 Dec. 2005, URL <http://www.mosnews.com/news/2005/12/27/ukriraqexit.shtml>.

[11] Serfaty, S., *The Vital Partnership—Power and Order: America and Europe Beyond Iraq* (Rowman & Littlefield: Lanham, Md., 2005), p. 3.

[12] The Italian Government has revised its position on withdrawing its troops from Iraq a number of times as the result *inter alia* of disagreements with the USA regarding the activity of US intelligence operatives on Italian soil and an accident in which the international operations chief of Italy's military intelligence was killed. Vinci, A., 'Italy seeks Americans over abduction', CNN.com, 24 June 2005, URL <http://edition.cnn.com/2005/WORLD/europe/06/24/italy.arrests/>; and Hooper, J., 'Italian hostage accuses US of trying to kill her as thousands mourn her rescuer', Guardian Unlimited, 7 Mar. 2005, URL <http://www.guardian.co.uk/Iraq/Story/0,2763,1432040,00.html>. In Poland, the presidential and

weakened than strengthened by their contribution to the military operation in Iraq further undermines the standing and legitimacy of the coalition. Meanwhile, the more conclusive evidence now available that Saddam Hussein possessed neither weapons of mass destruction (WMD) nor terrorist links at the time of the invasion has left little hope of reconciling the US assessment of the crisis with that of its opponents.[13]

If the presence of terrorists in Saddam Hussein's Iraq could not be substantiated, the situation has changed since the occupation in 2003.[14] Although approximately 95 per cent of the individuals who fight in Iraq against the occupation (and against other Iraqis) are Iraqi nationals there are a significant number of international operatives using terrorist methods in Iraq.[15] The fact that Iraq now has a terrorist problem aggravates prospects for a favourable outcome once the withdrawal of occupation forces is contemplated.

In 2005 the Iraq controversy also took centre stage in the domestic politics of the USA, leading some reporters to conclude that 'Iraq is now a cloud over everything'.[16] The bipartisan consensus that surrounded the launch of the war on Iraq in the Congress has evaporated.[17] The reasons for this include the fact that the case made for the initiation of the war could not be substantiated, the mounting US casualties (more than 2000 deaths since April 2003[18]) and the growing objections from various US constituencies to administration activities associated with the occupation and the fight against terrorism more broadly.

As the USA prepares for mid-term elections in 2006 against this background, the Department of Defense (DOD) has begun to consider scenarios for reducing the US military presence in Iraq.[19] Withdrawal from Iraq is partly dependent on domestic political developments there and partly on the ability of newly trained Iraqi forces to take responsibility for the security of the coun-

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parliamentary election campaigns were not affected by debate about the country's commitment to the Iraqi operation.

[13] This problem was well illustrated by the brief, joint EU–US statement on Iraq issued during the Feb. 2005 visit to Brussels of President Bush: 'The United States and Europe stand together in support of the Iraqi people and the new Iraqi government . . . [S]hould the new Iraqi government request it, the United States and the European Union are prepared to co-host an international conference to provide a forum to encourage and coordinate international support to Iraq'. The White House, 'Joint Statement by the United States and the European Union on Iraq', News release, Washington, DC, 22 Feb. 2005, URL <http://www.whitehouse.gov/news/releases/2005/02/print/20050222-9.html>.

[14] It is inaccurate to speak about 'occupation' today because this phase formally came to an end on 28 June 2004 with the handing over of power to the Iraqi authorities. In the light of the perception of a part of Iraq's population it may still be accurate to use that word in a political sense, however.

[15] Cordesman, A. H., 'Iraq and foreign volunteers', Working Draft, 18 Nov. 2005, URL <http://www.csis.org>, p. 2. The number of foreign militants totals approximately 3000. Of these, 80% are from Arab states (Algeria, Syria, Yemen, Egypt and Saudi Arabia, in that order); 15% are from the Sudan; and 5% are from other countries. For more details see chapter 2 in this volume.

[16] Weisman, J. and Babington, C., 'Iraq war debate eclipses all other issues', *Washington Post*, 20 Nov. 2005, p. A01.

[17] 'Without a war on terrorism and people feeling a real threat, it would be like Vietnam' concludes the director of the Pew Research Center. Quoted in Balz, D., '"Lessons of Sept. 11" again take center stage', *Washington Post*, 29 June 2005, p. A01.

[18] The military of the USA suffered 2108 casualties between Mar. 2003 and Nov. 2005. See Iraq Coalition Casualty Count, URL <http://icasualties.org/oif>.

[19] Graham, B. and Wright, R., '3 brigades may be cut in Iraq early in 2006: some U.S. troops would stay "on call" in Kuwait', *Washington Post*, 23 Nov. 2005, p. A01.

try. Given the ever clearer risk of sliding into a civil war, the dilemma has no perfect solution. The opinion is widely shared in the US strategic community that '[a] precipitous pullout . . . would be destabilizing'.[20] Such a pullout would be destabilizing for Iraq, for the region and for the prestige of the USA. Members of the Bush Administration have emphasized that 'an immediate withdrawal would be "a terrible thing for our country and for the safety of our people"'.[21] The Secretary of State has stated that: '[W]e want the Iraqi forces to be able to hold territory against the terrorists. We don't want the terrorists to be able to control large parts of Iraq or even important cities of Iraq'.[22] Uncertainty thus prevails over the likely speed and phasing of reductions and withdrawal, and further policy adjustments are more likely than not: some observers already conclude that 'conditions for U.S. withdrawal no longer include a defeated insurgency'.[23] During his pre-Christmas 2005 visit to Iraq, Secretary of Defense Donald Rumsfeld announced that the number of US combat brigades in Iraq would be reduced from 17 to 15—a total cut of 7000 troops.[24]

Finally, it may be noted that the more the USA does pull back from Iraq, the more the challenge there will become one for other (Middle Eastern and European) nations and institutions. Even if displaced from its centrality of the past few years, the Iraq problem will long haunt the transatlantic agenda.

Fighting terrorism and homeland security

No successful terrorist attack has been conducted in the USA since 11 September 2001. Terrorist groups and particularly al-Qaeda have found their targets elsewhere: in Spain and Turkey in 2004, and in Egypt, Jordan and the UK in 2005. The reasons for this are not fully clear,[25] although intelligence efforts and the heavy focus on homeland security since September 2001 are certainly among them. Whether or not Congressman Duncan Hunter is correct in his view that: 'Four years have expired without a second attack on our homeland because we've aggressively projected America's fighting forces in the theatres in Afghanistan and Iraq',[26] the USA can be rightly proud of this achievement.

The Department of Homeland Security (DHS), which was established after the terrorist attacks to unite the efforts of various agencies, focused heavily at

[20] Graham and Wright (note 19), p. A01.

[21] 'Rumsfeld rejects Iraq withdrawal', BBC News Online, 20 Nov. 2005, URL <http://news.bbc.co.uk/1/4455146.stm>.

[22] US Department of State, 'Secretary Condoleezza Rice, Interview on Fox News with Jim Angle', 22 Nov. 2005, URL <http://www.state.gov/secretary/rm/2005/57284.htm>.

[23] Hirsch, M. and Barry, J., 'Drawing down Iraq', *Newsweek*, 8 Aug. 2005, p. 29.

[24] MacDonald, N., 'Iraqi elections prompt US to cut troops numbers by 7,000', *Financial Times*, 24 Dec. 2005, URL <http://news.ft.com/>, p. 5.

[25] President Bush said 'the United States and its partners have disrupted at least ten serious al Qaeda terrorist plots since September the 11th'. The White House, 'President discusses war on terror at National Endowment for Democracy', News release, Washington, DC, 6 Oct. 2005, URL <http://www.whitehouse.gov/news/releases/2005/10/20051006-3.html>, p. 4.

[26] House Armed Services Committee Chairman Duncan Hunter as quoted in Babington, C., 'Hawkish Democrat joins call for pullout: GOP assails Murtha's demand to leave Iraq', *Washington Post*, 18 Nov. 2005, p. A01.

first on countering terrorism, but it has lately come under pressure to re-evaluate its role. Influential think tanks have recommended that the DHS 'must now also embrace the international dimensions of security, especially given the globally interconnected networks of our global society'.[27] The DHS's lacklustre performance was blamed for some of the failures of response to Hurricane Katrina, insofar as the DHS seemed to have no well-elaborated plan for evacuating a major US city.[28] The total breakdown of the Federal Emergency Management Agency (FEMA), including its incapacity to communicate under crisis conditions, generally demonstrated its ineptitude to address such a problem. Following the terrorist attacks in London in July 2005, the DHS also came under fire for overemphasizing air safety while not paying enough attention to public ground transportation. In face of these shortcomings, the DHS's agenda has been revised to focus also on overall preparedness, particularly for catastrophic events; better transport security systems for people and cargo; strengthening border security and interior enforcement; and reform of immigration processes. It has also introduced some organizational measures to improve performance.[29]

Measures to protect the USA continued to aim at increasing security without endangering US business and other interests. Most countries in the USA's Visa Waiver Program (VWP), including several EU members, have met the deadline to produce passports with digital photographs after 26 October 2005. Passports issued after that date and used for visa-free travel must include a biometric identifier.[30] In implementation of a Canadian–US programme dating back to December 2001, the 6000-kilometre border of the two countries—the longest unprotected border in the world—has become more tightly controlled against possible terrorist infiltration. On the southern border of the USA, where monitoring has been well established, the focus has stayed on the apprehension of illegal aliens and the prevention of smuggling of various kinds. Recent efforts have sped up the repatriation of illegal aliens and thus eased the burden on detention facilities.[31]

The funding of the DHS has modestly increased: for financial year 2006 it is $40.8 billion.[32] Despite some criticism, as mentioned above, popular support continues for improved homeland security and as a result 'DHS spending may be easier to sell . . . than defence expenditures'.[33]

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[27] Carafano, J. J. and Heyman, D., *DHS 2.0: Rethinking the Department of Homeland Security*, Heritage Special Report (Heritage Foundation and CSIS: Washington, DC, 13 Dec. 2004), p. 7

[28] Robinson, E., 'It's your failure, too, Mr. Bush', *Washington Post*, 6 Sep. 2005, p. A25.

[29] US Department of Homeland Security (DHS), 'DHS organization: the DHS transition', URL <http://www.dhs.gov/dhspublic/display?theme=10>.

[30] US Department of Homeland Security, 'Majority of VWP countries to meet digital photo deadline', 26 Oct. 2005, URL <http://www.dhs.gov/dhspublic/display?theme=43&content=4907&>.

[31] Nunez-Neto, B., 'Border security: the role of the U.S. border patrol', Congressional Research Service Report, 10 May 2005, p. 10. According to the report, 97% of illegal aliens are apprehended at the southern border of the USA.

[32] This means an increase of $1.8 billion from 2005, a nominal rise of 5.8% and similar to the increase from 2003 to 2004.

[33] Tigner, B., 'Trans-Atlantic rift?: Europeans fear homeland security trade war with U.S.', *Defense News*, 13 June 2005, p. 48.

Intelligence

Since the terrorist attacks of September 2001 the critical role of intelligence for national security has been widely recognized and not only by experts. The intelligence services of the USA and those of many other countries have been struggling with the unusually severe challenge presented by recent events. The view is now current that the failure 'to find Iraqi WMD exposed the limits of US intelligence capabilities',[34] and most observers see part of the problem in the way that the autonomy of intelligence analysis was curtailed.[35] The US Administration's earlier efforts to address the issue continued in 2005,[36] and some intelligence problems have gained in prominence.

In October 2005 the Director of National Intelligence[37] issued the National Intelligence Strategy,[38] which is designed to complement the 2002 National Security Strategy and the 2004 Intelligence Reform and Terrorism Prevention Act.[39] It calls for integrating the domestic and foreign dimensions of intelligence in order to leave no gaps in the understanding of threats to national security; bringing more depth and accuracy to intelligence analysis; and ensuring that intelligence resources generate results both now and in future.[40] The strategy links intelligence to more general external aims and asks the intelligence community to forge relationships with new and incipient democracies to help them strengthen the rule of law and ward off threats, thereby providing policy makers with an enhanced analytical framework for identifying both security threats and opportunities for promoting democracy as well as warning of state failure.[41] The analytical language of the intelligence strategy comes close to the concepts of the EU's Security Strategy,[42] although a key difference is the US document's proactive stance towards changing the status quo.

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[34] Fukuyama, F., 'The Bush doctrine, before and after', *Financial Times*, 11 Oct. 2005, p. 15.

[35] Jehl, D., 'Report warned in 2002 that Iraq data was false', *International Herald Tribune*, 7 Nov. 2005, p. 7.

[36] For more details see Dunay, P. and Lachowski, Z., 'Euro-Atlantic security and institutions', *SIPRI Yearbook 2005: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2005), pp. 51–52.

[37] The establishment in 2004 of the Office of the Director of National Intelligence (ODNI) was the second major reorganization of the federal administration by the Bush Administration, following the establishment of the DHS in 2002. See the ODNI website at URL <http://www.odni.gov/>.

[38] US Office of the Director of National Intelligence, 'The National Intelligence Strategy of the United States of America: transformation through integration and innovation', Oct. 2005, URL <http://www.odni.gov/press_releases/20051025_release.htm>, p. 1.

[39] The White House, 'The National Security Strategy of the United States of America', Washington, DC, Sep. 2002, URL <http://www.whitehouse.gov/nsc/nss.pdf>; and US Congress, *Intelligence Reform and Terrorism Prevention Act of 2004*, 108th Congress 2nd session, House of Representatives, Report 108-796 (US Government Printing Office: Washington, DC, 2004), URL <http://www.gpoaccess.gov/serialset/creports/intel_reform.html>.

[40] US Office of the Director of National Intelligence (note 38). The integration of domestic and foreign dimensions may raise certain human rights concerns when implemented. It blurs the line between the two and—as has been demonstrated in several instances in various countries, including the USA—may jeopardize judicial control over the curtailment of the constitutional rights of citizens.

[41] US Office of the Director of National Intelligence (note 38), p. 8.

[42] Council of the European Union, 'A secure Europe in a better world: European Security Strategy', Brussels, 12 Dec. 2003, URL <http://ue.eu.int/uedocs/cms_data/docs/2004/4/29/European%20Security%20Strategy.pdf>.

The structural role of the Director of National Intelligence is twofold: to ensure that the intelligence agencies work as a single enterprise; and to serve as the president's principal intelligence adviser.[43] A central aim of intelligence reform has been to reduce political influence over intelligence, and it is open to question how combining these two functions helps to achieve it. The view was widespread that too much emphasis on technical means and too little on human intelligence and analytical capacity contributed to the failure of intelligence before September 2001. The USA has thus established a new agency, the National Clandestine Service (NCS), to serve 'as the national authority for the integration, coordination, deconfliction, and evaluation of human intelligence operations across the entire intelligence Community'.[44] The NCS is tasked to help build an intelligence community that is 'more unified, coordinated and effective': it remains to be seen how this will work in practice.

The intelligence services also faced new specific challenges in 2005. The problems of retention of personnel at the Central Intelligence Agency (CIA), the allegations of major violations of human rights and the leaking of the identity of a CIA operative[45] for political reasons have been indications of trouble. The creation of the post of Director of National Intelligence has reduced the centrality of the CIA in intelligence coordination without necessarily freeing it from the kind of political pressure it suffered before the 2003 Iraq War.

The Department of Defense has continued its efforts to become a more central player in intelligence than in the past.[46] It now aims to expand the Counterintelligence Field Activity (CIFA), an agency established in 2002, and to gain access to information about US citizens that is 'deemed to be related to foreign intelligence'.[47] The blurring of the line between foreign and domestic intelligence and the wider sharing of domestic information within the national administration of the USA is a disturbing sign.

The CIA has been accused of acting in ways that go beyond its traditional function: notably, of conducting abusive interrogations during the insurgency in Iraq. In 2005 it was also reported that the CIA maintained secret facilities in various parts of the world where al-Qaeda operatives were held and interrogated, and that European (including EU) states could have been implicated in

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[43] The White House, 'President congratulates America's first Director and Deputy Director of National Intelligence', News release, Washington, DC, 18 May 2005, URL <http://www.whitehouse.gov/news/releases/2005/05/20050518.html>.

[44] US Office of the Director of National Intelligence, 'Establishment of the National Clandestine Service (NCS)', ODNI News release no. 3-05, 13 Oct. 2005, URL <http://www.dni.gov/press_releases/20051013_release.htm>.

[45] The reference is to Valerie Plame whose identity as a CIA operative was allegedly leaked by 'senior administration officials' following criticism by her spouse, Ambassador Joseph Wilson, of the Bush Administration's case on Iraqi WMD. According to the Intelligence Identities and Protection Act, the unauthorized identification of a CIA operative is a criminal act punishable by up to 10 years in federal prison. The then chief of staff of Vice President Dick Cheney has acknowledged being the source of the leak.

[46] For details see Dunay and Lachowski (note 36), p. 52.

[47] Pincus, W., 'Pentagon expanding its domestic surveillance activity', *Washington Post*, 27 Nov. 2005, p. A06.

this or in the transit of prisoners.[48] The Bush Administration's efforts to quash this scandal have been invalidated by its continuing efforts at the same time to exempt the CIA from congressional legislation that would ban cruel and degrading treatment of any prisoner in US custody.[49] These events have shown major potential to interfere with the USA's external image and relations as well as with the administration's standing at home and could complicate some European states' cooperation with and reliance on US intelligence in future.

Defence reform

As the world's leading military power, the USA has a unique challenge in defence reform since it cannot measure its military performance and development plans against a challenger of the same standing. It enjoys a larger degree of autonomy than any other state to decide what direction its armed forces should take in the long run.

In 2005 the USA issued two documents implementing its 2002 National Security Strategy—the National Military Strategy and the National Defense Strategy (NDS). The NDS separates the emerging challenges the USA faces into traditional, irregular, catastrophic and disruptive types. It concludes that the scope for traditional challenges from states employing regular military capabilities are drastically reduced owing to the USA's superiority in traditional domains and the enormous cost of rivalling it. However, irregular methods (e.g., terrorism and insurgency), perhaps combined with the acquisition of WMD, could seriously challenge the security interests of the USA. Advances in biotechnology, cyber operations, space or directed-energy weapons could also lead to serious threats.[50] The NDS states that the key aims for defence transformation are to: (*a*) strengthen intelligence; (*b*) protect critical bases of operation and the USA as the premier base;[51] (*c*) operate from the 'global commons' (i.e., the high seas and outer space); (*d*) project and sustain forces in distant environments; (*e*) deny enemies sanctuary; (*f*) conduct network-centric operations; (*g*) improve 'proficiency against irregular challenges'; and (*h*) increase the capabilities of partners—international and domestic.[52]

[48] Priest, D., 'CIA holds terror suspects in secret prisons', *Washington Post*, 2 Nov. 2005, p. A01.

[49] Human Rights Watch, 'U.S.: landmark torture ban undercut, Congress would allow evidence obtained by torture', 16 Dec. 2005, URL <http://www.hrw.org/english/docs/2005/12/16/usdom12311.htm>.

[50] US Department of Defense, 'The National Defense Strategy of The United States of America', Washington, DC, Mar. 2005, URL <http://globalsecurity.org/military/library/policy/dod/nds-usa_mar2005.htm>, pp. 2–3; and US Joint Chiefs of Staff, 'The National Military Strategy of the United States of America: a strategy for today, a vision for tomorrow', Washington, DC, 2004, URL <http://www.defenselink.mil/news/Mar2005/d20050318nms.pdf>.

[51] Compare this to other current pressures for the DOD to 'provide greater support to domestic security'. Carafano and Heyman (note 27), p. 7.

[52] US Department of Defense (note 50), pp. 12–15.

Some elements of rethinking are reflected in the NDS's statement that '[G]etting transformation right is second only to success on the battlefield'.[53] Surveying recent experience, particularly from the wars in Afghanistan and Iraq, it warns that: '[O]veremphasis on airpower, precision engagement, and information superiority at the expense of an ability to seize and hold ground will pose grave risks for decisionmakers if allowed to crowd out, rather than complement, other critical capabilities. . . . [A]irpower has constraints. It lacks staying power'.[54] This realization of the need to have more troops to seize and hold territory is reflected in a plan to increase the size of the operational army by 40 000 troops, from 315 000 to 355 000, in 2007.[55] The current level of field commitment of the US Armed Forces is heavily influenced by the massive commitment in Iraq—approximately 160 000 troops during the Iraqi elections in January 2005.[56] Assuming an eventual drawdown in that theatre, however, it is interesting to speculate about the future missions of the army.

The year 2005 saw the fifth round (since 1988) of US base realignment and closures (BRAC), a highly sensitive matter both at home and abroad. Due to the planned major withdrawals of US troops from bases overseas (some 60 000–70 000 soldiers worldwide over the next 10 years), the BRAC round that became law on 8 November 2005 envisages 22 major base closures at home, rather than the 33 earlier expected.[57]

III. Euro-Atlantic inter-institutional relations

The 60-year history of Euro-Atlantic relations since World War II has abounded not only in successes but also in stalemates, crises and tensions, and the end of NATO has often been—prematurely—announced. The cold war paradigms of US dominance, the primacy of NATO and European political deference are gone, and during the last decade and a half a new 'correlation of forces' has evolved. Although the events of September 2001 resulted briefly in acts of allied solidarity and collaboration, they could no longer hide the widening cracks in transatlantic relations. The crisis in 2003 over the Iraq War can now be viewed as a catalyst in the process of Europe's security maturation and emancipation. Almost two years later, in 2005, there was a continued thaw in West–West relations, but it was based more on considerations of utility and practical interest than on deep-seated philosophical reconciliation. Europe has been forced to recognize its vulnerability to threats springing from Islamic

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[53] Hooker, R. D., McMaster, H. R. and Grey, D., 'Getting transformation right', *Joint Forces Quarterly*, no. 38 (4th quarter 2005), p. 20. See also US Department of Defense (note 50).

[54] Hooker, McMaster and Grey (note 53), p. 23.

[55] Carafano, J. J., Kochems, A. and Gentile, D., 'The army's future: a view from the top', Heritage Foundation Web Memo, URL <http://www.heritage.org/Research/NationalSecurity/wm906.cfm?re>, p. 1.

[56] NBC News, 'Meet the Press with Tim Russert: transcript for June 26', 26 June 2005, URL <http://www.msnbc.msn.com/id/8332675>, p. 4.

[57] US Department of Defense, Miles, D., American Forces Press Service, 'BRAC deadline expires; DoD to begin closures, realignments', 9 Nov. 2005, URL <http://www.defenselink.mil/news/Nov2005/20051109_3280.html>, p. 7.

fundamentalism, terrorism and the greater Middle East, especially after the bombings in Madrid in March 2004 and in London in July 2005. The USA is learning how hard it is for any nation, or even institution, to meet the full repercussions of such challenges alone. In purely practical terms, traditional forums and mechanisms now appear more workable than ad hoc arrangements with hand-picked allies; and the USA's post-September 2001 enthusiasm for coalitions of the willing seems to have been quietly laid to rest.

In 2005 there was a further shift in the EU–NATO–US triangle towards a more active EU–US dialogue, signifying US recognition of the growing role played by the EU in security matters and perhaps NATO's waning salience in policy making.[58] German Chancellor Gerhard Schröder was widely criticized in early 2005 for suggesting that a high-level panel should consider ways for the USA to deal more directly with the EU because the relationship 'in its current form does justice neither to the Union's growing importance, nor to the new demands on trans-Atlantic cooperation'.[59] Nonetheless, several events bore out his underlying thought: when President Bush embarked on reconciliation with Europe in February 2005 while paying a visit to the NATO summit meeting, he also, very unusually, went to the EU headquarters. In turn, following the blockage of the EU's Constitutional Treaty in mid-2005 (discussed below), the EU hastened to reassure the USA that it would not stop playing a strong and helpful role on security issues such as with Iran, Iraq and the Middle East.[60] These political trends, however, still need to be reflected in regular institutionalized practices and strengthened with concrete steps.[61]

Despite their membership overlap, the 'strategic partnership' between the EU and NATO has failed to make much progress beyond operational collaboration on the ground. The fault lies partly in specific political and procedural blockages and also in the temptation for both organizations to vie for influence and a security role internationally.[62] The USA is still wary about the EU's defence incarnation, while any success for the EU's more proactive crisis diplomacy risks undermining NATO's attempts to recover its position as the forum for debating key transatlantic issues. The EU has practically taken over

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[58] Grant, C. and Leonard, M., 'What new transatlantic institutions?', *Centre for European Reform Bulletin*, no. 4441 (Apr./May 2005). On the challenge of building stronger European defence capabilities see Center for Strategic and International Studies (CSIS), *European Defense Integration: Bridging the Gap Between Strategy and Capabilities* (CSIS: Washington, DC, Oct. 2005).

[59] German Federal Chancellor Gerhard Schröder, Speech delivered at the 41st Munich Conference on Security Policy', Munich, 12 Feb. 2005, URL <http://www.securityconference.de/konferenzen/rede.php?menu_2005=&menu_2004=&menu_konferenzen=&sprache=en&id=143&>.

[60] Alden, E., Dinmore, G. and Daniel, C., 'EU leaders reassure Bush on Europe's world role', *Financial Times*, 21 June 2005.

[61] General Klaus Naumann, former Chairman of the NATO Military Committee, called for the creation of a NATO–EU–US steering committee at the highest level to meet in times of serious crises to decide on task-sharing. He was also concerned that if NATO failed to transform it would lose its identity and disappear from the 'radar screen of public opinion'. Gen. Klaus Naumann, former Chairman of the NATO Military Committee, 'NATO: does it have a future?', Speech at the 1st SHAPE Lecture Series, Brussels, 10 May 2005, URL <http://www.shape.nato.int/shape/opinions/2005/s050510a.htm>.

[62] Dempsey, J., 'For EU and NATO, a race for influence', *International Herald Tribune*, 18 Feb. 2005. The failure of the EU constitutional referendum at least temporarily exacerbated the problem since many in EU circles feared NATO would 'take advantage'.

from NATO in European peace missions, but no clear division of labour exists at the global and functional level (the EU now claims also to pursue 'joint disarmament' and anti-terrorist operations). A majority is stabilizing within the EU for endowing it with a broader spectrum of security options (aside from purely military ones), more autonomy from the USA and wider political leeway (*inter alia* in the choice of partners when dealing with future crises).

Other Europe-related security institutions have also faced growing challenges. The OSCE, once perceived as a linchpin of Euro-Atlantic security, remains in a lingering crisis. With the Commonwealth of Independent States (CIS) facing progressive erosion, the other Russia-dominated organization, the Collective Security Treaty Organization (CSTO), is grappling with internal tensions while trying, so far unsuccessfully, to acquire equal status with and full recognition from NATO.[63] The EU and NATO still prefer to cooperate with CSTO members on an individual and differentiated basis.

IV. The European Union

The Constitutional Treaty crisis

In 2005 the European 'grand design' enshrined in the Constitutional Treaty—being 'united ever more closely, to forge a common destiny'[64]—was dealt a hard blow. The popular rejection of the treaty in two referendums, in France on 29 May and the Netherlands on 1 June, confounded the hopes of those who had counted on it to make Europe more effective and streamlined, more democratic and accountable and closer to the citizen. The EU declared a face-saving 'period of reflection', but the Constitutional Treaty's main weakness now seems its virtual irrelevance to more profound European ills. These include the poor performance by and unpopularity of many governments; the destructive practice of putting the blame for member governments' faults on the EU; the gap between the people and the political elites (the 'democratic deficit' or 'enlightened despotism'[65]); different expectations among both the governments and the public regarding the models of development ('social' versus 'liberal' Europe); the conspicuous difference between the old members and the newcomers with regard to integration and enlargement; the difficulties in digesting the recent 'big bang' enlargement of the EU (especially the fear of competition from the new members, as epitomized by the 'Polish plumber'); the reluctance to lay Europe more open to globalization and cultural pressures (the market expansion of China and India as well as the question of member-

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[63] Similar hints have been dropped by Russian officials regarding the Shanghai Cooperation Organization.

[64] Preamble to the Treaty establishing a Constitution for Europe. The text is at URL <http://europa.eu.int/constitution/index_en.htm>.

[65] Ana Palacio, Head of the Spanish Parliament's Joint Committee on European Affairs, used the phrase 'everything for the people but without the people'. 'Discussions on the EU's future', *International Herald Tribune*, 16 June 2005, URL <http://www.iht.com/articles/2005/06/15/news/voices.php>.

ship for Turkey); and the associated 'neo-nationalism' reflected in the behaviour of both populist rebels and some elites.

All this left Europe uncertain about its future, scope, purpose and course. Many observers believe that any renewal of meaningful debate on the future of the EU will have to wait until mid-2007, following the French presidential elections.[66] The external repercussions of the constitutional crisis are more difficult to read. The blockage of plans for a 'Union minister for foreign affairs', an EU external action service and a longer presidency of the European Council will certainly hamper the effort to make the EU's external activities more effective and efficient. On the other hand, as reflected below, many of the draft Constitutional Treaty's original provisions relating to EU defence and security matters had already been implemented before the Dutch and French referendums, thus effectively insulating them from the constitutional crisis.

Enlargement

The same insulation cannot be said to have occurred for the EU's geographical expansion: 'enlargement fatigue' emphatically caught up with the pre-2004 EU members in 2005.[67] The mixed assessments of 2004's expansion in membership, xenophobia and fear of dilution of the European project (by 'Croatian electricians and Turkish carpenters'[68]) played a significant role in the Dutch and French referendums. The effect was to complicate the prospects even for the next potential entrants in the wider Balkans region and Turkey.[69]

On the Western Balkans, the majority view of European elites remained that the only hope of lasting peace was to hold out the lure of 'a new European dawn'.[70] In March *Croatia* failed to win the go-ahead for EU accession negotiations because it had not handed over a senior war crimes suspect, General Ante Gotovina, to the International Criminal Tribunal for the Former Yugoslavia (ICTY). Not until 3 October did Croatia receive a more favourable assessment, opening the way for it to be given a starting date for accession talks (as demanded by Austria in particular) in parallel with those with Turkey.[71] The other Western Balkan candidates—Albania, Bosnia and Herzegovina (BiH), the Former Yugoslav Republic of Macedonia (FYROM), and

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[66] Williamson, H. and Parker, G., 'Germany will try to revive European constitution', *Financial Times*, 23 Nov. 2005.

[67] Bowley, G., 'Defining the enlarged EU', *International Herald Tribune*, 9 Mar. 2005.

[68] Stephens, P., 'Turkey cannot be wished away', *Financial Times*, 1 Sep. 2005.

[69] For more on the Western Balkans see appendix 1A.

[70] Jansson, E., 'Brussels sees a "new European dawn" for Balkans', *Financial Times*, 4 Oct. 2005. 'The future of the Western Balkans lies in the EU', asserted the European Commission. Commission of the European Communities, 'Communication from the Commission: 2005 enlargement strategy paper', Brussels, 9 Nov. 2005, document COM (2005) 561, URL <http://europa.eu.int/comm/enlargement/croatia/key_documents.htm#elarg_pck_2005>, pp. 20–21.

[71] Commission of the European Communities (note 70), pp. 20–21. Carla Del Ponte, ICTY chief prosecutor, confirmed that Croatia was 'cooperating fully' in catching Gotovina. He was arrested on Spain's Canary Islands on 7 Dec. 2005.

Serbia and Montenegro—have yet to meet political and economic entry criteria, although some early procedural hurdles were surmounted in 2005.[72]

Negotiations with *Bulgaria* and *Romania* were successfully concluded in December 2004 and their treaties of accession were signed on 25 April 2005, with the aim of full entry in January 2007. Shortly after, however, the European Commission called for 'vigorous steps' to be taken in the fight against corruption and in the reform of the justice system and the public administration to remedy remaining lapses from EU standards in both countries. A monitoring report by the Commission in the spring of 2006 may recommend that the European Council postpone the accession of Bulgaria or Romania by a year if there is a serious risk of either state being unable to meet the requirements of membership by January 2007.[73]

The run-up to the October deadline (set by the EU in December 2004) for a decision on whether *Turkey* could join turned out to be difficult and complicated. In formal terms the difficult points were the apparent slowing of Turkish internal reform (regarding, e.g., the legal and judiciary system, religious and democratic freedoms, the rule of law, human rights and the protection of minorities) and Turkey's refusal to recognize the Republic of Cyprus (now an EU member) without a comprehensive deal to end the long-standing division of the island.[74] At the political level, opinion remained particularly hostile to Turkish entry in Germany (whose future chancellor, Angela Merkel, suggested instead a 'privileged partnership'), Austria, Denmark, France and the Netherlands. Motives included fear of the entry of a large, relatively poor Muslim country into the predominantly Christian, wealthy EU; and the risks of Europe's future entanglement in the volatile Middle East region.[75] The endgame before the October decision was particularly protracted, with the Cyprus issue,[76] the possibility of an alternative to full Turkish membership and Austria's greater attachment to Croatia all coming to the fore again. Ultimately, however, the proposal to open membership talks was duly made by the EU and accepted by Turkey. Few observers expected the coming nego-

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[72] In mid-Dec. the European Council gave the FYROM formal candidate country status. The EU foreign ministers decided in early Oct. to open Stabilization and Association Agreement (SAA) talks with Serbia and Montenegro after the latter promised to capture war crimes suspects. On 25 Nov. SAA talks were also opened with Bosnia and Herzegovina. See also appendix 1A.

[73] European Commission, 'Enlargement Package 2005, summary paper: Communication from the Commission: comprehensive monitoring report on the state of preparedness for EU membership of Bulgaria and Romania', Brussels, 25 Oct. 2005, document COM (2005) 534, URL <http://europa.eu.int/comm/enlargement/bulgaria/key_documents.htm#elarg_pck_2005>.

[74] On 29 July 2005 Turkey signed a protocol extending its customs union to the 10 new EU members but issued a unilateral declaration stating that the signature did not amount to formal recognition of the Republic of Cyprus. The EU has indicated that the declaration does not affect Turkey's obligations under the protocol.

[75] According to an EU diplomat, EU leaders have never had a serious debate about the strategic implications of Europe's relationship with Turkey. Stephens (note 68).

[76] Turkey refused to allow Cypriot and other ships embarking from Greek Cypriot ports to use its ports. It continues to block Cyprus' membership of certain international organizations and arrangements. It has also been unable, despite good relations with Greece, to reach a compromise over the outstanding Greek–Turkish territorial dispute.

tiations to take less than 10 to 15 years, and all the (substantially unsolved) issues mentioned above and more will doubtless complicate their course.[77]

The European Neighbourhood Policy

The EU's European Neighbourhood Policy (ENP), launched in 2004 to create a 'ring of friends' around the EU,[78] now covers 15 states of the former Soviet area, the southern Mediterranean and the Middle East (including the Palestinian Authority) but not Russia. It is based on a two-tier structure: country reports give a factual analysis of political, economic and institutional reforms, identifying priority areas for bilateral Action Plans. The latter normally cover political, economic and regulatory reforms and cooperation in the fields of freedom, security and justice. Seven Action Plans were agreed in December 2004,[79] and five country reports were presented in March 2005[80] with the hope of Action Plans following shortly. From 2007, EU association programmes with the Mediterranean countries and the partnership and cooperation agreements signed with states in the former Soviet area will be transformed into neighbourhood agreements. The regulatory framework will thus be unified.

The 'ENP aims to support long-term domestic reform, regional cooperation and peace-building in the proximity of the EU by providing new incentives to the neighbours'.[81] The questions relating to it include the sometimes greater influence in these regions of other major players of world politics and doubts about the EU's concrete tools of leverage and conditionality. Apart from the appeal of the EU model, 'carrots' such as trade liberalization, greater access to the Single Market and visa liberalization may have some impact on all partners. The 'incentive-based structure' of the ENP masks, however, a more general weakness: the EU's lack of strategy with regard to those countries that are not willing to comply or cooperate. It may suffice to contrast the case of Belarus with those of Georgia and Ukraine to demonstrate this point. The latter cases also underline that the EU's strongest potential carrot is one it is still far from ready to use: namely, the prospect of membership.[82] The EU has made it clear that 'the near-neighbours like Ukraine, Moldova and Georgia would be well advised not to apply for European Union membership now, because they would be rebuffed'.[83] The EU's present 25 members clearly have

[77] See Bekdil, B. E. and Enginsoy, U., 'Turk threat perception poses EU challenge', *Defense News*, 24 Oct. 2005, p. 16.

[78] See Dunay and Lachowski (note 36), p. 61.

[79] The Action Plans were for Israel, Jordan, Moldova, Morocco, the Palestinian Authority, Tunisia and Ukraine.

[80] The country reports addressed Armenia, Azerbaijan, Egypt, Georgia and Lebanon.

[81] Tocci, N., 'Does the ENP respond to the EU's post-enlargement challenges', *International Spectator*, vol. 40, no. 1 (Jan.–Mar. 2005), p. 25.

[82] The President of Ukraine clearly stated his hope 'that at the end of the Action Plan, in 2007, we will be in the position to begin EU membership negotiations'. Yushchenko, V., 'Ukraine's future is in the EU', Address by President of Ukraine, European Parliament, 23 Feb. 2005, URL <http://europa-eu-un.org/articles/en/article_4382_en.htm>.

[83] EU External Relations Commissioner Benita Ferrero-Waldner is mentioned as the source. See O'Rourke, B., 'EU: Brussels says no point in near neighbors seeking to join Union now', Radio Free

different views on any further eastern expansion, with Poland and other new members the most positive. It remains a serious policy test for the EU whether and how it can find a way 'to act beyond the dichotomy of accession/non-accession, drawing on a range of tools to promote its interests'.[84]

European security and defence

The EU constitutional crisis did not directly hamper the EU's security-related plans and may even have created new pressure for their success. The EU has been raising its profile in many conflict-afflicted areas *inter alia* by appointing special representatives to such places as Afghanistan, the African Great Lakes region, BiH, Central Asia, FYROM, Kosovo, the Middle East, Moldova, the South Caucasus and Sudan.[85] The December 2005 European Council agreed a new EU Strategy for Africa, which aims at a long-term and wide-ranging African training programme.[86]

Crisis management remains the central, steadily evolving operational tool of the European Security and Defence Policy (ESDP), and it is growing in both geographical range and diversity. After the end of three previous operations, in 2005 the EU carried out 11 crisis-management operations and missions, most of them civilian.[87]

Following the May 2005 bloodshed in Andijon, Uzbekistan, the EU foreign ministers decided in June to appoint an EU Special Representative for Central Asia with the aim of being more actively involved in the region. In October, after President Islam Karimov's refusal to allow an independent international investigation, the EU imposed a one-year package of sanctions on Uzbekistan, including an embargo on exports of arms, military equipment and other equipment that might be used for domestic repression.[88] In November the EU foreign ministers warned Belarus to respect human rights and civil liberties or face further 'restrictive measures' against the responsible individuals in the event of failure to uphold international standards.[89] In the Azerbaijan–Armenia

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Europe/Radio Liberty, 4 May 2005, URL <http://www.rferl.org/featuresarticle/2005/05/089016eb-1789-4b6a-91c8-4bb63366501a.html>.

[84] Lynch, D., 'The security dimension of the European Neighbourhood Policy', *International Spectator*, vol. 40, no. 1 (Jan.–Mar. 2005), p. 34.

[85] EU Special Representatives (EUSRs) provide the EU with a visible and practical presence ('voice' and 'face') in troubled countries and regions. Council of the European Union, 'EU Special Representatives', Fact sheet, June 2005, URL <http://ue.eu.int/cms3_fo/showpage.asp?id=263&lang=en&mode=g>. In 2005 EUSRs were appointed for the first time for Central Asia, Moldova and Sudan.

[86] Council of the European Union, 'The EU and Africa: towards a strategic partnership', Brussels, 19 Dec. 2005, document 15961/05, URL < http://ue.eu.int/cms3_fo/showpage.asp?lang=EN>.

[87] For a list of the EU crisis-management missions in 2005 see chapter 3 in this volume.

[88] The sanctions took effect on 14 Nov. 2005. 'Council Common Position 2005/792/CFSP concerning restrictive measures against Uzbekistan', 14 Nov. 2005, *Official Journal of the European Union*, L 299 (16 Nov. 2005), URL <http://europa.eu.int/eur-lex/lex/LexUriServ/site/en/oj/2005/l_299/l_29920051116 en00720079.pdf>, p. 72.

[89] British Presidency of the EU, 'GAERC Conclusions 7 November 2005: External Relations', URL <http://www.eu2005.gov.uk/>.

conflict over Nagorno-Karabakh, at the end of 2005 the EU offered its mediation because both countries have shown progress in peace discussions.[90]

Military capabilities

In 2005 the EU held three autonomous (without using NATO resources) military crisis-management exercises: in April to study cooperation with the UN (EST 05) in such operations; in September–October to rapidly deploy a civil–military mission in response to a sub-Saharan ethnic conflict; and in November–December to test the military planning of an operation (MILEX 05). The EU's civil–military planning cell in the EU Military Staff began its work in the spring of 2005 and is expected to be able to have an operations centre up and running by June 2006.[91]

As in previous years, the issue of inadequate military capabilities continued to dog the ESDP,[92] and 2005 brought no significant improvement in meeting current capabilities requirements (the Headline Goal 2010).[93] The mid-year report on capabilities acknowledged slow progress, noting improvements in only four sectors (deployable laboratories, seaport of disembarkation units, operations headquarters and mechanized infantry battalions). At the end of 2005, the next half-year report recorded no new headway. The main hope for new impetus in capability work rests with the developing role of the European Defence Agency (EDA), which should work with the EU Military Committee to address capabilities shortfalls, assisted by the EU Military Staff and in close coordination with the Political and Security Committee.[94]

The EDA became operational at the start of January 2005, with the objectives of improving European defence capabilities, bringing about more efficient management of multinational arms cooperation, developing and integrating Europe's defence markets, and coordinating research and development. In 2005 the EDA focused on four selected 'flagship' projects.[95] The first

[90] Council of the European Union, 'Summary of remarks by Javier Solana, EU High Representative for the CFSP, at press briefing with foreign ministers of Armenia, Azerbaijan and Georgia following political dialogue meetings', document S411/05, Brussels, 13 Dec. 2005, URL <http://ue.eu.int/cms3_applications/applications/solana/list.asp?cmsid=358&BID=107&lang=EN>.

[91] Council of the European Union, 'Opening address by Javier Solana, Secretary General of the Council/High Representative for the CFSP, UK Presidency seminar on civil–military relations', London, 17 Oct. 2005, URL <http://ue.eu.int/cms3_applications/applications/solana/list.asp?cmsid=358&BID=107&lang=EN>.

[92] Among the EU countries, France, Greece, Italy, Poland, Portugal and the UK reached in 2004 the objective of devoting 2% or more of gross domestic product to defence spending. *Atlantic News*, no. 3727 (22 Nov. 2005), p. 2. For discussion of the challenge of building stronger European defence capabilities see Center for Strategic and International Studies (note 58).

[93] For details of the Headline Goal 2010 see Dunay and Lachowski (note 36), p. 65.

[94] 'EU Capabilities Improvement Chart I/2005', *Atlantic News*, no. 3680 (24 May 2005), pp. 6–12; and 'EU Capabilities Improvement Chart II/2005', *Atlantic News*, no. 3727 (22 Nov. 2005), pp. 5–13. In May 2005, 11 ECAP project groups migrated in whole or in part to the more integrated process coordinated by the EDA. In Dec. 2005 it was announced that the EDA had begun to draw up a Long Term Vision for the ESDP (up to 2025). On the EDA see Dunay and Lachowski (note 36), pp. 65–66.

[95] European Defence Agency, 'EU governments agree voluntary code for crossborder competition in defence equipment market', ESDP news, Brussels, 21 Nov. 2005, URL <http://ue.eu.int/cms3_fo/showPage.asp?id=978&lang=EN&mode=g>.

was a voluntary, non-binding intergovernmental regime for the intra-European arms trade—the €30 billion-a-year European Defence Equipment Market (EDEM)—which was launched on 21 November. EDEM is based on the 2005 Code of Conduct on Defence Procurement,[96] which aims to promote competition by improving transparency of tenders for contracts of €1 million or more. Its implementation by individual countries will be scrutinized by the EDA. The new rules will not cover nuclear weapons, chemical, bacteriological and radiological goods and services, or cases of pressing urgency and national security.

Two other EDA projects sought to identify 'communities of interest' among participating member states (PMS) for the future development of unmanned air vehicles (UAVs) and armoured fighting vehicles, and in December a contract for a UAV technology study was signed. The EDA's fourth priority in 2005 was to start analysing the state of European C^3 (command, control and communications) development between PMS, military headquarters, industry and other actors. Eight other initiatives were explored to varying degrees of advancement.[97] The agenda for 2006 will focus on military capabilities in C^3 (especially software-defined radio), air-to-air refuelling and strategic transport.[98] The main challenge for European defence cooperation remains financing and the political will of the PMS. The EU's defence endeavour is still undermined by austere military budgets and continuing national preferences.[99]

The concept of battle groups is part of the EU's rapid response capacity.[100] In 2005 the number of battle groups rose from the originally planned 13 to 18 battle groups involving 26 nations. According to the agreement reached at the Battlegroup Coordination Conference on 8 November, from January 2007 the EU will have the full operational capability to undertake two concurrent battle group-size operations. The outstanding issues include aspects of strategic movement and transportation, logistics, and health and medical support. How to make the EU's battle groups and the NATO Response Force (NRF) mutually reinforcing remained a matter for discussion.[101]

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[96] European Defence Agency, 'The Code of Conduct on Defence Procurement of the EU Member States Participating in the European Defence Agency', Brussels, 21 Nov. 2005, URL <http://www.eda.eu.int/>.

[97] See the EDA website at URL <http://www.eda.eu.int/>; and European Defence Agency (note 95). In Oct. 13 EU member states committed themselves to work together, in an EDA-supported ad hoc group, to develop more actively capabilities in the field of air-to-air refuelling (tanker aircraft)—one of the main shortfalls in the implementation of the European Capabilities Action Plan.

[98] European Defence Agency, 'EDA urged to focus on communications and transport capabilities for rapid response', Brussels, 24 Jan. 2006, URL <http://www.eda.eu.int/news/2006-01-24-0.htm>. In Jan. 2006 France and the UK decided to jointly examine lightweight radar technology on small platforms, such as UAVs and missiles.

[99] The EU failed to agree on a 3-year budgetary framework for the EDA and deferred the decision by 1 year, until autumn 2006.

[100] For details of the battle groups see Dunay and Lachowski (note 36), p. 66.

[101] Council of the European Union, 2691st Council meeting, General Affairs and External Relations, Press release, Brussels, 21–22 Nov. 2005, URL <http://ue.eu.int/cms3_applications/Applications/newsRoom/loadBook.asp?target=2005&bid=71&lang=1&cmsId=349>.

V. The North Atlantic Treaty Organization

In 2005 developments both within NATO and in its out-of-area engagements and activities boosted the alliance's self-confidence.[102] In February President Bush reconfirmed that NATO remains the 'cornerstone' of transatlantic relations and promised to beef up its role as a policy forum *inter alia* by more frequent and deeper contacts between senior European and US officials.[103]

Since the 2002 Prague summit meeting NATO has moved steadily away from the static 'area' defence of Europe to focus on out-of-area expeditionary missions.[104] While maintaining its collective defence obligation, NATO today is focused on its 'non-Article 5' missions.[105] It has a standing presence in the Balkans (military headquarters in BiH, assistance in Bosnia's defence reform and the 16 000-strong Kosovo Force); in Afghanistan (the 12 000-strong International Security Assistance Force, ISAF); in the Mediterranean (Operation Active Endeavour naval monitoring and surveillance); and in Iraq (military training). In 2005 NATO was temporarily engaged in Africa (Darfur, Sudan) and Pakistan, and in a relief mission in the USA.[106] Such tasks were previously *terra incognita* for NATO (i.e., non-military state-building tasks, indirect peacekeeping support and humanitarian relief using military resources).

NATO remains best fitted for pursuing 'hard security' in the Euro-Atlantic area in both bilateral (e.g., relations with Russia and Ukraine and the Partnership for Peace) and multilateral formats (the Euro-Atlantic Partnership Council). At the same time it is vulnerable to the vicissitudes of US policy, which in future could sidestep NATO for unilateral action or coalitions of the willing, and to the legal requirement for full intra-alliance consensus.

Many unanswered questions remain about NATO's future and about its priorities in terms of core tasks, military transformation and combating terrorism.

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[102] NATO Secretary General Jaap de Hoop Scheffer stated proudly that '[T]his is an Alliance that is very much in business. That's why . . . there simply is no fundamental debate any more about NATO's relevance'. North Atlantic Treaty Organization (NATO), 'Keeping NATO relevant: a shareholders report', Speech by NATO Secretary General at the NATO Parliamentary Assembly annual session, Copenhagen, 15 Nov. 2005, URL <http://www.nato.int/docu/speech/2005/s051115a.htm>. In previous years some decline was noted in the quality of the US personnel sent to NATO's Brussels headquarters. Everts, S. et al., *A European Way of War* (Centre for European Reform: London, May 2004), URL <http://www.cer.org.uk/defence/>, p. 62.

[103] North Atlantic Treaty Organization (NATO), 'Opening statement by US President George W. Bush at the press conference following the meeting of the North Atlantic Council at the level of Heads of State and Government', Brussels, NATO speeches, 22 Feb. 2005, URL <http://www.nato.int/docu/speech/2005/s050222j.htm>. Under Secretary of State Nicholas Burns stated: 'The US wants to use NATO more, and more effectively, as the principal Trans-Atlantic forum for strategic discussions on the most vital issues of the day'. US Department of State, International Information Programs, 'Under Secretary of State Burns outlines trans-Atlantic agenda', 11 Apr. 2005, URL <http://usinfo.state.gov/mena/Archive/2005/Apr/08-637379.html>.

[104] This de facto development has not entirely stilled objections from some nations. E.g., France, opposed the plan to conduct the NRF's first exercise in 2006 in continental Africa, but it eventually agreed to a 'depoliticized compromise' with Cape Verde as the location for the exercise. 'NATO picks Cape Verde for staging maneuvers', *International Herald Tribune*, 13 Apr. 2005, p. 3.

[105] Article 5 of the 1949 North Atlantic Treaty (Washington Treaty) defines the members' commitment to respond to an armed attack against any party to the treaty.

[106] In 2005 cautious steps were also taken to establish a dialogue with the parties to the Israeli–Palestinian conflict.

NATO is still striving to 'cut across the full spectrum of missions and oper-
ations', to secure increases in national defence budgets, to keep its end up vis-
à-vis the EU in the operational field and to address more boldly the West's
'strategic choice' in combating terrorism.[107]

Out-of-area missions

Afghanistan remains the key priority for NATO's external operations. Since
2003 it has exercised command of the International Security Assistance Force
and assisted in state-building efforts through small civil–military Provincial
Reconstruction Teams (PRTs) that were set up in the areas under ISAF con-
trol. The NATO force has operated as a stabilizing presence in Kabul and in
the northern (October 2004) and western (summer 2005) parts of the country.
In mid-September 2005 the 9000-strong ISAF, with troops from 26 NATO
member states and 10 partner countries, completed its expansion into the west-
ern provinces, and preparations started for the third phase of expansion (most
likely in May 2006) to the southern sector of Afghanistan. This will require a
reinforcement of up to 16 000 troops, a new operations plan and new rules of
engagement designed for this militant part of the country. In the meantime,
2000 additional NATO troops were sent as reinforcements for the Afghan
legislative and provincial election period in September. In October the UN
extended the ISAF mandate for another year.

A larger political issue for NATO is whether its role in Afghanistan will
remain limited to 'security assistance', peacekeeping and reconstruction or
should formally extend to counter-insurgency.[108] The plan for NATO to even-
tually take command of all forces in all parts of Afghanistan is already deman-
ding greater coordination between ISAF and the US-led Operation Enduring
Freedom (OEF).[109] As in 2004, the idea of a merger between the two forces
continued to meet strong objections in 2005 from France and other states,
although possible 'synergy' between the two operations was not ruled out.[110]
In November the operations plan for ISAF's 'phase 3', including the implica-
tions for cooperation with the OEF, was finalized by the NATO Military Com-

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[107] North Atlantic Treaty Organization (note 103).

[108] British expert Mark Joyce noted that: 'By sheer force of operational momentum, and in spite of
internal political misgivings, European forces under a NATO flag may soon find themselves operating at
the sharp end of the American "war on terrorism"'. Joyce, M., 'NATO's incremental transformation',
International Herald Tribune, 8 Oct. 2005, URL <http://iht.com/articles/2005/10/07/opinion/edjoyce.
php>.

[109] In this context, there is concern that the expansion of ISAF may lead to a drop in OEF military
involvement, especially that of the USA. Moreover, Afghan officials are not sure about ISAF's ability to
confront the restive armed opposition and terrorists, which are active in southern Afghanistan. Tarzi, A.,
'Afghanistan: NATO prepares to move into most restive provinces', Radio Free Europe/Radio Liberty,
12 Dec. 2005, URL <http://www.rferl.org/featuresarticle/2005/12/555dd2f4-e303-4a6f-b635-146a304de
707.html>.

[110] According to *Le Monde*, a general ISAF command for the whole of Afghanistan would be created.
The general in command of the ISAF would be seconded by 3 deputies, who would be responsible for
stabilization, air operations and security, respectively. Zecchini, L., 'Il n'y aura pas de "fusion" des opér-
ations militaires en Afghanistan' [There will be no 'merger' of military operations in Afghanistan], *Le
Monde*, 19 Oct. 2005.

mittee to be presented to the North Atlantic Council in December. In military terms, ISAF is now mandated additionally to conduct 'stability and security operations' in coordination with Afghan national security forces and to provide support to Afghan government efforts to 'disarm illegally armed groups'.[111] The NATO members promised to earmark an additional 6000 troops for Afghanistan in early 2006. It is assumed that NATO's mission in Afghanistan should take six or seven more years.[112]

The division over *Iraq* continued in 2005, with France, Germany and several other states still opposing a NATO military role there. In February the NATO states declared that they had collected sufficient funds for the security-force training mission in Baghdad and in September the military academy at Ar-Rustamiya was inaugurated with the aim of training some 900 Iraqi medium-rank and senior officers per year.[113] Some NATO states that are unwilling to send personnel to Baghdad are financing the training of Iraqi military personnel outside the country, and NATO states also donated €100 million worth of arms and equipment to the Iraqi Armed Forces.

New missions

On 26 April 2005 the African Union (AU) asked NATO to consider the possibility of providing purely logistical support to its operation in *Darfur, Sudan*, in an attempt to halt the continuing violence in the region. NATO agreed in May–June 2005 to help the AU expand its peacekeeping mission, thus launching the first-ever NATO involvement in Africa. Both NATO and the EU were asked for support and coordinated their efforts under AU control.[114] The coordination of NATO's airlift was done from Europe, while also working with the UN, non-governmental organizations (NGOs) and individual nations. NATO started to airlift African peacekeepers into Darfur in early July; it also trained AU troops in command and control and operational planning, running a multinational military headquarters and managing intelligence. In September NATO decided to offer similar logistical support, up to 31 March 2006, for troop rotations to the AU Mission in Sudan (AMIS) forces and further training to improve the skills of the AU officers.

Three days after the earthquake in *Pakistan* and *India* on 8 October, NATO decided to assist relief efforts by sending emergency supplies to northern Pakistan together with a battalion of engineers, mobile international medical units from the NATO Response Force, a deployable headquarters and

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[111] North Atlantic Treaty Organization (NATO), 'Final communiqué, Ministerial meeting of the North Atlantic Council', Press release (2005)158, Brussels, 8 Dec. 2005, URL <http://www.nato.int/docu/pr/2005/p05-158e.htm>. It is not clear whether ISAF is authorized to use force if such an approach is adopted by the Kabul authorities.

[112] In Nov. Uzbekistan closed its territory and airspace to NATO forces, thus making it more difficult for the allied troops to conduct operations in Afghanistan.

[113] In 2005 *c.* 700 officers are estimated to have trained in Iraq, and several hundred officers trained at NATO facilities in Europe.

[114] Some NATO/EU countries—France, Germany, Spain and others—decided to place themselves under EU leadership.

specialist equipment.[115] In addition, water purification plants (from Lithuania) and over 40 helicopters were sent, and a field hospital was set up in November. The strategic airlift involved was unique in NATO's history. Supplies donated by NATO members and partners as well as the UN High Commissioner for Refugees were dispatched via two airlifts, from Germany and Turkey. During the first month after the earthquake some 1600 tonnes of relief supplies were transported to the disaster area by more than 100 flights, and 18 camps for more than 200 000 people were built in the affected areas. NATO troops were scheduled to remain in Pakistan until the end of January.

Enlargement

Like the EU, NATO has also been affected by 'enlargement fatigue' in the wake of its 2004 membership expansion. Following the fifth, and largest, round of NATO enlargement in March 2004, three Balkan countries—Albania, Croatia and FYROM—are now participants in NATO's Membership Action Plan (MAP), which is a route to possible future membership. In September 2005, however, a senior US official stated that the three Balkan candidates are 'not yet ready' for membership. The issue of further enlargement will reportedly be addressed at a summit meeting in 2008 at the earliest.[116] Meanwhile, Ukraine's hope of joining NATO by 2008 dwindled when NATO indicated that, while it was willing to help Ukraine carry out necessary reforms, the main responsibility for Ukraine's eligibility rested on the 'shoulders of the Ukrainian leadership'.[117]

Transformation

Together with the Allied Command for Transformation in Norfolk, Virginia, the catalyst for the transformation process launched at the 2002 Prague NATO summit meeting is the expeditionary NATO Response Force. The now 17 000-strong force is designed to spearhead interventions in crises worldwide and is scheduled to become fully operational in October 2006. The natural disasters in the USA (Hurricane Katrina) and in Pakistan (the earthquake) presented opportunities to test the NRF in crisis-response mode.[118]

Debate in NATO has shifted focus from the NRF's basic organization to the questions of its aim, function and role and how it relates to other force frameworks (e.g., the EU's European Rapid Reaction Force or battle groups). As NATO officials and military officers never tire of repeating, success depends

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[115] Earlier in 2005 Jaap de Hoop de Scheffer commented that if the Dec. 2004 Asian tsunami had happened closer to NATO's area, the NRF almost certainly would have been deployed to help.

[116] *Atlantic News*, no. 3671, 23 Apr. 2005, p. 1; and *Atlantic News*, no. 3706, 13 Sep. 2005, p. 3.

[117] *Atlantic News*, no. 3691, 28 June 2005, p. 1. In Apr. 2005 Ukraine entered an Intensified Dialogue on Membership, commonly viewed as the precursor to being invited to enter the MAP process.

[118] In previous deployments the NRF provided assistance to the 2004 Athens Olympic Games and the 2004 presidential elections in Afghanistan.

on capabilities,[119] but formal steps must wait until the 'transformation' summit meeting scheduled for November 2006 in Riga.

In March 2005 NATO announced that it had reached a key milestone in its plans to field a theatre missile defence programme by adopting the Charter for the Active Layered Theatre Ballistic Missile Defence. The programme aims at integrating the various missile defence systems (such as Patriot or the medium-extended air defence system, MEADS) 'into a coherent, deployable defensive network'. It will reach its initial operational capability in 2010.[120]

VI. The Organization for Security and Co-operation in Europe

Following the decisions of the OSCE Ministerial Council of December 2004[121] the emphasis in OSCE circles has remained on internal issues, including the call for reform. The programme of the Chairman-in-Office (CIO), Slovenia, could be summarized as 'the triple R agenda: Revitalize, Reform and Rebalance'.[122] The formal vehicle for the reform debate was the report of the panel of eminent persons submitted to the CIO in June 2005, followed by consultations among the participating states. The report contained more than 70 proposals to improve the OSCE's effectiveness,[123] but most were relatively nonradical, practical and focused on management and institutional matters. Once the high-level consultations started among the OSCE participating states it was clear that only a modest set of proposals could count on consensus.

The theme of 'rebalancing' reflected a continuing major disagreement as to the OSCE's future between the USA and Russia. The EU, partly owing to some disagreement among its member states, did not take a high profile in this debate.[124] The USA would like to continue the OSCE's heavy emphasis on the human dimension, including the monitoring of elections and the immediate release of the preliminary results,[125] but to concentrate OSCE efforts on the

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[119] On the table are the pressing matters of acquiring an airborne warning and control system (AWACS) surveillance aircraft, strategic transport and tactical helicopters. The call for joint funding has received a cool response from some member states. *Atlantic News*, no. 3707, 15 Sep. 2005, p. 1.

[120] 'NATO to deploy missile defence system by 2010', *Jane's Defence Weekly*, 23 Mar. 2005, p. 5.

[121] See Dunay, P., 'The Organization for Security and Co-operation in Europe: constant adaptation but enduring problems', *SIPRI Yearbook 2005* (note 36), pp. 76–82.

[122] Organization for Security and Co-operation in Europe (OSCE), 'Address by H.E. Dimitrij Rupel, Ph.D., Chairman-in-Office of the OSCE, at the Permanent Council', OSCE document CIO.GAL/2/05, 13 Jan. 2005, URL <http://www.osce.si/docs/2005-01-13-govor-cio-na-zasedanju-pc-eng.pdf>, p. 1.

[123] Organization for Security and Co-operation in Europe (OSCE), 'Common purpose: towards a more effective OSCE', 27 June 2005. NGO reports include Zellner, W., *Managing Change in Europe: Evaluating the OSCE and Its Future Role, Competencies, Capabilities, and Missions*, CORE Working Paper 13 (Centre for OSCE Research: Hamburg, 2005); and OSCE Parliamentary Assembly and the Swiss Foundation for World Affairs, 'Report: Colloquium on "The Future of the OSCE"', Washington, DC, 5–6 June 2005. OSCE publications are available at URL <http://www.osce.org>.

[124] It was noteworthy that following the EU statement at the high-level consultations, several EU member states—e.g., Austria and Poland—deemed it necessary to make national statements. British Presidency of the Council of the European Union, 'EU Statement for High Level OSCE Consultations in Vienna', PC.DEL/865/05, 13 Sep. 2005.

[125] Such preliminary assessments have been instrumental in depriving of legitimacy the winners of various recent elections that were not 'free and fair'.

former Soviet area and to a somewhat lesser extent on the Western Balkans.[126] The position of Russia and some other former Soviet countries is diametrically opposite: they want to 'rebalance' the OSCE not geographically but functionally and in a way reminiscent of its cold war role, when the West did not in practice intrude into the politics of the Soviet zone of influence. Their view is that less attention should be paid to the human dimension, more to politicomilitary cooperation; the focus should be on the entire OSCE area; and election monitoring should not be used as a vehicle of regime change.[127]

In the light of the high-level consultations it was not surprising that the OSCE Ministerial Council of December 2005 was unable to achieve a major breakthrough. The 19 decisions passed could not hide the fact that on political reform the parties agreed to differ. Some institutional changes that were agreed—like turning the OSCE into a career-based organization and granting immunity to OSCE missions and observers—should at least improve the professionalism of OSCE performance.

VII. 'Normalizing' interstate relations in the post-Soviet area

No more high-profile regime changes, like those in Georgia and Ukraine in 2003–2004, occurred in the area of the former Soviet Union in 2005. Instead, different national policies and practices were consolidated, resulting in a more normal international disposition in the region. Although states that made different domestic choices held strong views about each other, the impact of their antagonisms seemed to be somewhat reduced.

Russia

Russia remains the central player in the post-Soviet space, and it sets the standard (for good or ill) for domestic transformations in the region. Russia, however, has been increasingly facing an image problem. Western anxiety was raised by decisions like the sentencing of Mikhail Khodorkovsky, the former head of oil giant Yukos, and the proposals for de facto banning of foreign (and foreign-funded) NGOs pursuing political activity.[128] Russia, in turn, has been anxious about the shifting of the power balance in the world and concerned to curtail the USA's freedom of action. In a pattern seen before, Russia has played up its policy contacts with other major actors such as China and

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[126] US Mission to the OSCE, Under Secretary for Political Affairs R. Nicholas Burns, 'Intervention at the Thirteenth OSCE Ministerial Council', Ljubljana, 5 Dec. 2005, URL <http://osce.usmission.gov/mc/ljubljana.html>.

[127] Transcript of Remarks by Russian Minister of Foreign Affairs Sergei Lavrov, 13th Meeting of the OSCE Ministerial Council, Ljubljana, 5 Dec. 2005, URL <http://www.mid.ru/>, p. 2.

[128] Myers, S. L., 'Russians seek to put restrictions on NGOs', *International Herald Tribune*, 24 Nov. 2005, p. 6; and Veretennikova, K., 'Byudzhetnaya demokratiya: grazhdanskoye obshchestvo budet sozdavat'sya za kazennyi schot [Budgetary democracy: civil society will be organized on the account of the treasury]', *Vremya novostey*, 18 Nov. 2005, URL <http://www.vremya.ru/print/139353.html>.

India.[129] Russia also remains a significant and perhaps key player in such high-profile issues as nuclear proliferation in Iran and North Korea.[130] Most obviously, Russia's continuing role in the former Soviet area makes it hard to imagine any of the region's frozen or pending conflicts being resolved without either involving Russia or facing its abstention.

A gradually unifying Europe presents a dilemma for Russia, while Russia also presents a dilemma for the EU.[131] Since 2003 the two sides have been working on an agreement to create four 'common spaces'. It appears that the practical provisions will be diluted and offer no real advance on the Partnership and Cooperation Agreement that expires in 2007.[132] Russia has not achieved objectives such as visa-free travel for its citizens or a special status in the ESDP, and it has expressed displeasure that some 'new EU members . . . have tried to introduce some confrontational tones into the dialogue between Russia and the EU'.[133] Russia suffers from the asymmetry whereby nearly half of its foreign trade is conducted with the EU, but Russia accounts for only 7.6 per cent of the EU's aggregate import and 4.4 per cent of its aggregate export.[134] On the other side, the EU objects to Russia's backtracking on democracy and its support to dictatorial post-Soviet regimes, and the EU perceives that Russia has not made up its mind whether the USA or the EU is its main partner in the long run.[135] In a dialogue overshadowed by the EU's constitutional woes,[136] both sides have had to settle for minor advances like the agreements that were initialled on 12 October 2005 on visa facilitation and readmission: the former more important for Russia, the latter for the EU.[137]

While in past years most criticism of Russia's record on democracy and human rights came from NGOs, in 2005 President Bush noted that: 'Democracies have certain things in common. They have a rule of law and protection of minorities, a free press and a viable political opposition'.[138] Other Western

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[129] This idea dates back to the mid-1990s when Foreign Minister Yevgeny Primakov advocated a Chinese–Indian–Russian 'strategic' entente.

[130] See chapter 13 in this volume.

[131] As a Polish newspaper stated: 'Russia too weak to subordinate to Europe, too strong to become a normal European power', *Polish News Bulletin*, 28 July 2005.

[132] Karaganov, S., 'Russia's European strategy: a new start', *Russia in Global Affairs*, no. 3 (July–Sep. 2005), URL <http://eng.globalaffairs.ru/region-snt/numbers/12/941.html>, pp. 72–85.

[133] Latyshev, A., 'Russia and Europe need each other: interview with Sergei Yastrzhembsky', *Russia Journal*, vol. 25, no. 102 (Nov. 2005), p. 36.

[134] Karaganov (note 132).

[135] See Skorov, G., 'Rossiya–Evrosoyuz: voprosy strategicheskogo partnerstva' [Russia–EU: the questions of strategic partnership], *Mirovaya ekonomika i mezhdunarodnye otnosheniya*, no. 3 (2005), pp. 79–84.

[136] 'Russia and the EU's constitutional crisis', *CEPS Neighbourhood Watch*, issue 5 (June 2005), pp. 11–14.

[137] European Commission, 'EU–Russia relations: next steps towards visa facilitation and readmission agreement', URL <http://europa.eu.int/comm/external_relations/russia/intro/ip05_1263.htm>. Visa application for Russian citizens will be decided faster for smaller fees and will require less documentation. The application of the rule on the readmission of citizens of third countries who cross the Russian Federation and enter EU territory will start after a transition period of 3 years following entry into force.

[138] The White House, 'President and President Putin discuss strong U.S.–Russian partnership', News release, Bratislava, 24 Feb. 2005, URL <http://www.whitehouse.gov/news/releases/2005/02/20050224-9.html>. In the assessment of Freedom House, Russia's political rights rating in 2005 declined from 5 to

leaders have been less articulate, but democracy and human rights have returned to the agenda between Russia and the West.

At the same time, Russia's windfall oil profits in 2005 made it feel at least temporarily less reliant on outsiders[139] and reawoke visions of an influential but separate Russian pole of power. This may help explain some attempts by Russia to flex its muscles vis-à-vis some new members of the EU and NATO, as well as its tough and essentially zero-sum policy in the post-Soviet space. States that do not align with the West and accept the integrity of the post-Soviet space can count on Russian support irrespective of the nature of their regimes. Those who 'go West' and leave the Russian camp cannot. States ready to 'return' to Russia may attract especially vigorous Russian support, as the cases of Azerbaijan and Uzbekistan have demonstrated recently. For the non-compliant, President Vladimir Putin has again shown a preference to apply economic levers, including manipulation of the price and conditions for energy (a form of blackmail that Ukraine suffered especially in late 2005 and early 2006).[140] Russia also made similar attempts with Moldova and Bulgaria. The choice of such tactics reflects *inter alia* Russia's reduced military presence in the neighbourhood owing to shrinking conventional capabilities and may imply a historic and irreversible change.[141]

On the domestic security agenda, the smouldering conflict in Chechnya is the most acute. Russia may have tightened its control in the province, but horizontal escalation threatens the North Caucasian neighbourhood.[142] Russian special forces coped adequately, however, with the October 2005 terrorist attack in Nalchik, Kabardino-Balkaria, which—unlike the Beslan tragedy of September 2004—did not divide Russian society. From the end of 2005, only volunteer troops of the Interior Ministry will stay in Chechnya and that should make it politically easier to sustain the operation.[143] The November 2005 parliamentary elections in Chechnya have demonstrated slow, inconclusive reconciliation. It is certain that the local population feels exhausted by the conflict.

6, and its status from 'partly free' to 'not free' because of the virtual elimination of influential political opposition parties in the country and the further concentration of executive power. Freedom House, 'Russia: legislating repression of civil society', URL <http://www.freedomhouse.org/>.

[139] Russia's international reserves increased by *c*. $40 billion between the end of 2004 and the end of Oct. 2005 and have reached nearly $165 billion. Central Bank of the Russian Federation, 'International reserves assets of the Russian Federation in 2005', URL <http://www.cbr.ru/eng/statistics/credit_statistics/print.asp?file=inter_res_05_e.htm>.

[140] FT reporters, 'Russians agree deal on supply of gas to Ukraine', *Financial Times*, 5 Jan. 2006, p. 1; Buckley, N. and Warner, T., 'Moscow and Kiev can both claim "victory"', *Financial Times*, 5 Jan. 2006, p. 4; and Buckley, N. and Warner, T., 'Kiev turmoil raises more doubts over gas deal', *Financial Times*, 12 Jan. 2006, p. 3.

[141] Mukhin, V., 'Sila kak instrument vneshnepoliticheskogo vliyaniya' [Force as the instrument of influence in foreign policy], *Nezavisimaya gazeta, Dipkur'er*, 10 Oct. 2005, p. 2.

[142] See chapter 2 in this volume.

[143] 'Russian brigade in Chechnya to become all-volunteer force by year-end 2005', Agenstvo Voyennykh Novostey, 26 Oct. 2005, URL <http://dlib.eastview.com/sources/article.jsp?id=8483147>.

Ukraine and the Caucasus

Ukraine's new regime continues its pro-Western political course, but the high hopes of early 2005 have given way to more realistic assessments. Integration with Western Europe is a long-term project,[144] and Ukraine cannot move towards the West without looking to the East—the practical imperative to cooperate with Russia and other neighbours has not changed. Recognizing that EU accession will not be realized soon, Ukraine intends to develop relations with the single economic space under the assumption that it will not become more than a trade zone.[145] Not all aspects of Western integration have majority support inside Ukraine: NATO accession remains an especially divisive issue.

Externally, Ukraine has made efforts to play an active role in the region *inter alia* through an alignment with *Georgia*. The cooperation of the two 'reform' countries has contributed to revitalizing the GUAM (Georgia, Ukraine, Azerbaijan and Moldova) grouping of countries and to efforts to resolve the Trans-Dniester deadlock.[146]

The achievements of the Georgian leadership two years after the 2003 'Rose Revolution' remain mixed. There are impressive results in the domestic transformation process, ranging from the fight against corruption to infrastructure development,[147] but Georgia's poor ranking on Transparency International's Corruption Perception Index may show the limits of top–down efforts.[148] Reports also note the violation of some democratic principles, the bias of the mass media, the inadequate functioning of the judiciary and abuse of power by members of the elite.[149] A further unanswered question is how much of the new regime's success is self-maintaining and how much is because of the attention, support and financing of the world at large.[150]

The new Georgian regime has made undoubted progress, however, on issues of territorial integrity. In 2004 it solved the problem presented by Adjaria, one

[144] Ukraine hopes to be ready to join NATO by 2008, a view NATO does not share. EU integration will certainly take much longer. Agentstvo Voyennykh Novostey (Moscow), 'Defense Minister: Ukraine will be ready to join NATO by 2008', URL <http://dlib.eastview.com/sources/article.jsp?id= 8468767>.

[145] Inter TV (Kiev), 'Ukrainian security chief says possible to cooperate with Russia, EU', BBC Monitoring Kiev Unit, 10 June 2005. The framework agreement establishing a 'single economic space' for Belarus, Kazakhstan, Russia and Ukraine, was signed at the CIS Summit in Sep. 2003. It aims to accelerate the economic and political integration of those countries.

[146] Popescu, N., EU Institute for Security Studies, 'The EU in Moldova: settling conflicts in the neighbourhood', Occasional Paper no. 60, Oct. 2005, URL <http://www.iss-eu.org/>, particularly pp. 26–28.

[147] These are presented in the not entirely unbiased report by Leonard, M. and Grant, C., 'Georgia and the EU: can Europe's Neighbourhood Policy deliver?', Centre for European Reform Policy Brief, Sep. 2005, URL <http://www.cer.org.uk/pdf/policybrief_georgia_sept05.pdf>.

[148] Georgia is ranked 130th equal on the Transparency International Corruption Perception Index 2005, which measures the performance of 159 countries. URL <http://www.transparency.org>.

[149] It is sometimes hard to judge whether the over-representation of the government in the media simply reflects the president's popularity or whether it is manipulation by the victors of the 'Rose Revolution'. Compare 'Is Georgia heading for a new revolution?', Radio Free Europe/Radio Liberty, *Caucasus Report*, vol. 8, no. 31 (10 Sep. 2005), URL <http://www.rferl.org/reports/caucasus-report/ 2005/09/31-100905.asp>; and Leonard and Grant (note 147).

[150] On the role of external financing see Leonard and Grant (note 147), p. 3.

of three separatist entities on Georgian territory. In 2005 Georgia concluded an agreement on the withdrawal of Russian forces from its territory and the closure of Russian military bases by 2008.[151] It restarted the effort to reach settlement on South Ossetia with an offer of extensive autonomy that is not easy for South Ossetia or Russia to reject outright,[152] and a stage-by-stage implementation plan for the settlement has been presented.[153] Further progress on this issue would demonstrate that President Mikheil Saakashvili's pro-gramme to re-establish Georgia's territorial integrity is on the way to full implementation, despite the continuation of the conflict over Abkhazia.

Azerbaijan held parliamentary elections on 6 November 2005. President Ilham Aliyev did not have as tight a grip on power as his father, former Presi-dent Heydar Aliyev, and it was thought that attempts to manipulate election results might unleash a scenario familiar from Georgia and Ukraine. However, although the OSCE and the Council of Europe concluded that the parlia-mentary elections 'did not meet a number of OSCE commitments and Council of Europe standards and commitments for democratic elections',[154] the sequel was different from that in Georgia and Ukraine. The Azerbaijani authorities acted resolutely against the demonstrators, the opposition was less organized and lacked a charismatic leader, and external support was limited (perhaps owing to Azerbaijan's strategic oil reserves and the importance of the newly opened Baku–Ceyhan pipeline).[155] Russia also provided effective 'pre-election support' to Aliyev, helping him to prevent a possible coup d'état two weeks before the elections.[156] Although his regime may not regain full control, it has shown that the 'colour revolution' method applied elsewhere can be blocked.

There were signs in 2005 that the frozen Nagorno-Karabakh conflict could be resolved with external encouragement.[157] The opportunity is important to seize because Azerbaijan has been determined to turn its economic superiority into military advantage,[158] which may reduce the long-term chances of peace.

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[151] For details see chapter 15 in this volume.

[152] 'Georgian president addresses South Ossetia conference on autonomy issues', Georgian TV1, 10 July 2005.

[153] Prime Minister Zurab Nogaideli, Speech at the meeting of the OSCE Permanent Council, 27 Oct. 2005. The speech is summarized in Socor, V., 'Georgia's action plan on South Ossetia: a test for the international community', *Eurasia Daily Monitor*, vol. 2, issue 219 (23 Nov. 2005), URL <http://www.jamestown.org/publications>.

[154] Organization for Security and Co-operation in Europe (OSCE), International Election Observation Mission, 'Parliamentary election, Republic of Azerbaijan—6 November 2005: statement of preliminary findings and conclusions', URL <http://www.osce.org/odihr-elections/15649.html>.

[155] Sultanova, A., Associated Press, 'Officials inaugurate pipeline to ship Caspian Sea oil to Mediter-ranean', 25 May 2005, URL <http://www.armeniandiaspora.com/archive/30451.html>.

[156] Mandeville, L., 'Moscou veut tuer dans l'oeuf la révolution de Bakou' [Moscow wants to nip the revolution in Baku in the bud], *Le Figaro*, 14 Nov. 2005, p. 4 ; and 'Poutine reprend la main en Azerbaidjan' [Putin retakes the initiative in Azerbaijan], *Le Figaro*, 14 Nov. 2005, p. 1.

[157] International Crisis Group, 'Nagorno-Karabakh: a plan for peace', Europe report no. 167, 11 Oct. 2005, URL <http://www.crisisgroup.org/home/index.cfm?id=3740&l=1>.

[158] See International Crisis Group (note 157).

Central Asia

Central Asia's general immunity from conflicts, after the end of the war in Tajikistan, ended in 2005. Kyrgyzstan experienced a regime change, while the demonstrations in Andijon, Uzbekistan, and the leadership's reaction to them had far-reaching implications.

The February 2005 elections to *Kyrgyzstan*'s parliament 'fell short of OSCE commitments and other international standards in several important areas'.[159] Demonstrations followed and led to the resignation of President Askar Akayev, who had presided over one of the more democratic regimes in Central Asia, although marred by nepotism and corruption. The presidential elections of July 2005 brought the Kyrgyz revolution to an 'anti-climactic' end under which the assessment of change remains inconclusive.[160] The USA has persuaded the new Kyrgyz leadership to prolong the availability of the Manas airbase for the military operation in Afghanistan—all the more important in the light of US setbacks in Uzbekistan.[161]

Uzbekistan's size and location make it a key actor in Central Asia. At Andijon on 12–13 May, probably due to the overreaction of security forces, hundreds of local demonstrators, and perhaps as many as 1000, were shot.[162] The regime sought to blame Islamic militants and, later, 'an attempt by political circles in the west to dominate the region to get access to raw materials and to serve their strategic interests'.[163] The Western outrage in the aftermath of these events pushed Uzbekistan's president into Russia's embrace, at least for the time being.[164] Not long after the Andijon incident, an extremely critical assessment of the presence of foreign troops in Uzbekistan was published,[165] and three weeks later the government requested the USA to vacate the Karshi-Khanabad airbase and withdraw its military units from Uzbekistan by the end of 2005. In November 2005 Uzbekistan informed 'European members of NATO they will not be able to use its airspace or territory for operations linked to peacekeeping in neighbouring Afghanistan'.[166] Uzbekistan, however,

[159] Office for Democratic Institutions and Human Rights, 'The Kyrgyz Republic: parliamentary elections, 27 February and 13 March 2005', OSCE/ODIHR Election Observation Mission Final Report, Warsaw, 20 May 2005, URL <http://www.osce.org/odihr/>, p. 4.

[160] Socor, V., 'Anticlimactic end to Kyrgyz revolution', *Eurasia Daily Monitor*, vol. 2, no. 162 (18 Aug. 2005).

[161] Kyrgyzstan has been keen to use its improved negotiating position over Manas to secure better payments for landing and take-off. Under the Akayev regime the USA paid $7000 for one take-off or landing. US embassy official in Bishkek, Communication with the authors, 12 Jan. 2005.

[162] See Blank, S., 'The future of Uzbekistan after Andijan', *Terrorism Monitor*, vol. 3, no. 11 (2 June 2005), URL <http://jamestown.org/terrorism/news/uploads/ter_003_011.pdf>.

[163] Press Service of the President of Uzbekistan, 'Problems of security in Central Asia', 22 Oct. 2005, URL <http://www.press-service.uz/en/gsection.scm?groupId=5203&content>.

[164] Press Service of the President of Uzbekistan, 'President's visit to Russia', 30 June 2005, URL <http://www.press-service.uz/en/gsection.scm?groupId=5203&content>.

[165] Press Service of the President of Uzbekistan, 'Uzbek Foreign Ministry statement on presence of foreign troops in SCO countries', 8 July 2005, URL <http://www.press-service.uz/en/gsection.scm?groupId=5203&contentId=11060>.

[166] Reuters Alertnet, 'Uzbekistan to ban some NATO overflights—alliance', 24 Nov. 2005, URL <http://www.craigmurray.co.uk/archives/2005/11/uzbekistan_to_b.html>. Carstens, P., 'Mit Unterstützung Europas: Die Bundeswehr darf "auf lange Zeit" in Usbekistan bleiben' [With Europe's support:

permitted Germany to continue to operate from the Termez airbase 'for a long time' and to develop it further. These events illustrated not only the Russian calculus regarding support for oppressive rulers—especially when it is possible to inflict a strategic reverse on the USA—but also the differentiated trends that are widening gaps between former Soviet neighbours. After the Andijon incident, Uzbek refugees fled to neighbouring Kyrgyzstan and some were evacuated from there to Romania despite Uzbekistan's protests.

VIII. Conclusions

Transatlantic relations eased further in 2005 despite unresolved differences over Iraq. Western democracies have been reminded of their shared interests and common objectives. The USA has gradually normalized relations and coordinated its policy more closely with its European partners. How the currently more pro-US 'new Europe' will affect the longer-term transatlantic and intra-European balances remains to be seen. The USA's pragmatism in its dealings with European nations and institutions seems to owe less to a philosophical reassessment than to specific blockages in Iraq and on the domestic front. The Bush Administration's taste for using force unilaterally seems unchanged, but the Iraqi stalemate prevents it from going beyond occasional hints of further 'pre-emptive' use of force. The present posture of the USA could thus be characterized as self-restrained, 'coordinated' unilateralism.

In the institutional dimension of Euro-Atlantic relations, the rivalry between the main actors—the EU and NATO—is entering a new phase as their geographical and functional agendas increasingly overlap. The 2005 crisis in the EU has had a muted, apparently non-fatal, impact on the implementation of its ambitious security agenda for the coming years. NATO, entangled in the competing visions and interests of its members, still lacks a clear strategic mission for the future. Both organizations have evidently lost their enlargement momentum for years to come. Other European security-related bodies are even more burdened with internal troubles and dwindling legitimacy.

In the former Soviet area there is an increasingly clear and sharp divide between countries that have embarked on democratization and those that strive to maintain authoritarian rule. The international impact of these divergent political courses is heightened by populist pronouncements, megaphone diplomacy and symbolic demonstrations from both the reform countries and others. The resulting bad chemistry could complicate the resolution of pending conflicts. Central Asia, thus far much less scarred by conflicts than the Caucasus, could be more vulnerable to instability as a result of the push for regime change. The strategic implications of a major breakdown in any larger Central Asian state, given the acute interest of the USA and Russia as well as China in the region, are difficult to compute.

the Bundeswehr needs to remain in Uzbekistan 'for a long time'], *Frankfurter Allgemeine Zeitung*, 16 Dec. 2005, p. 12.