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## Part II

### National defence and European cooperation

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## **Editor's remarks**

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The Nordic countries are suspended between national defence transformations and European security ambitions. The domestic sphere in each country is characterized by organizational inertia and budgetary constraints. The common enterprise of building the European Union is caught between the competing logics of political aspirations and of industrial–technological dynamics. In this part of the volume, some features of this high-wire Nordic existence inside the larger EU circus arena of the European Security and Defence Policy are outlined by experts in the field. By and large, the contributors strike a pessimistic tone regarding the future prospects for distinct and high-profile Nordic acts in this evolving show.

Jesper Christensen notes the growing impression of the policy footprint of the 'EUqualizer' on member states in the defence and security field. Other policy sectors have long experienced such external pressures on the substance of and procedures for national policy. Agricultural policy, competition rules and foreign trade are clearly subordinated to EU directives and mandates. Increasingly, the 'third pillar' of Justice and Home Affairs generates similar effects at the national level. National defence policy is now also embedded in the common ambition to build the ESDP. Here, each government faces serious problems as the policy pledges worked out in EU forums come up against other long-standing operational tasks and the limited capabilities of the armed forces. Gerrard Quille points to a very real gap between the agreed EU policy documents on the one hand and national planning efforts and resource priorities on the other.

The EU suffers from an implementation deficit in the area of security and defence policy. Such a deficit has been empirically noted in many other sectors, so it comes as no surprise that this area, too, should experience problems with the concrete follow-up at national level to decisions made centrally by the EU. It is more of a surprise, however, that the generally high-performance Nordic EU members do less well in this sector. When even the Nordic countries, usually so assiduous in implementation, are unable to live up to pledges made by their political leaders, the seriousness of purpose behind Europe's ambitious reform plans can be questioned.

Nonetheless, the commitments made by national leaders can be viewed as steps in the pursuit of a compelling strategy to force national transformation upon reluctant and often obstructionist defence establishments. Again, the experiences of other policy sectors may be instructive in this regard. The European Commission's drive towards the Single Market target of 1992, and later towards realization of the Economic and Monetary Union, helped national leaders in their efforts to reform domestic, economic and financial structures. Making commitments to international operations under EU auspices may, over time, provide the best hope of eliminating the costly remnants of cold war defence structures and oversized forces. In the Nordic countries, the military–provincial axis—the economic and social importance of force stationing and of associated industries for a number of, especially peripheral, internal regions—has been even more entrenched in national politics than the military–industrial complex.

Quille points to the potentially important role of the new European Defence Agency (EDA). In the future, a sectoral dynamic with a spill-forward effect may emerge in this

field. Stakeholders have been institutionalized in permanent bodies with clear mandates to move the joint defence effort forward. Bureaucracies for security and defence have been created. Judging from the track records of other sectors, this innovation will lead to a steady stream of proposals to strengthen further the joint tasks of the Union.

Regardless of the shifting political seasons, the professional work will grind on. Some initiatives will take a seemingly long time before they are enacted, while others may suddenly fit with the flow of political fortunes. Today the euro has been adopted by 12 countries, but how many recall the original 1970 Werner Plan outlining the benefits of a European monetary community? Who would have thought in the 1980s that national governments would surrender their monetary sovereignty to a supranational authority? Who in 2006 can imagine that national governments may in the future delegate arms procurement decisions to an independent, impartial EU body? The EDA will pursue the classical top-down integrative method of upgrading the common interest. Soon enough, the weight of this 'EUqualizer' will penetrate the national defence establishments and force major transformations.

Alongside these top-down dynamics, experiences on the ground are already significantly shaping the direction of future priorities. By taking part in various international military operations, in the Balkans and in Africa, European defence establishments have been made to confront immediate and concrete needs, to construct ad hoc solutions and to document formative experiences. To the extent that the Nordic armed services take part in such operations, their sense of direction, purpose and priorities will depart from their traditional territorial missions. Lars Wedin points out in this context that it is regrettable that with almost 10 000 Swedish officers on active duty, only 750 men and women presently serve in military missions abroad. In part this can be explained by budgetary limits, but it also reflects the cold war mission of territorial defence, which although operationally obsolete is organizationally still hegemonic.

Björn Hagelin reviews the standing of the Nordic defence industry and its prospects for survival in the future. During the cold war period, Swedish industry was a major player in the Euro-Atlantic defence sector. It also maintained strong links with the other Nordic countries, as a reliable supplier and as an important market. During the 1990s these Nordic ties became less strong, as all nations reached for more varied sources of defence equipment and for wider markets. At the same time, the Nordic defence ministers upgraded and formalized the links among their countries in this sector: but this Nordic Armament Co-operation initiative (NORDAC) has been a mixed success, according to Hagelin.

Strong pressures are felt by the arms industry to consolidate its very high pre-production costs as well as achieving longer production series to reduce the unit cost to buyers. The EU's leaders want to foster a competitive European arms industry that can hold its own against strong US competition. The answer may lie in more intra-European mergers and enhanced cooperation across national borders: yet this drive towards an intercontinental competitive edge could also reduce intra-continental competition and in effect create local monopolies. Such outcomes would not be to the advantage of cost-conscious taxpayers or to the liking of their elected representatives. Michael Brzoska argues that there could be a continued value in keeping a distinct Nordic defence industry that can contribute to the overall market openness of the European arms procurement process.

While a shrinking Nordic defence industry may be on the defensive, the so-called security industry is on the offensive. Recognizing new market opportunities in the

USA as a result of the growth of the homeland security field, many companies have established new links with US partners. US investments in research and development, high-technology product development and traditional protection services offer new opportunities outside the EU. Responding to this North American dynamic, the Union has launched its Preparatory Action in the field of Security Research with the aim of promoting hi-tech innovation and economic growth in Europe. Parts of the Nordic defence industry are being reoriented towards this emerging homeland security field. In addition, many established security service companies, such as Securitas-Pinkerton and Falck, are developing their roles assertively in Europe and in North America. It is possible that a new Nordic security-industrial complex is taking shape in response to the political priorities and policy trends after the attacks of 11 September 2001 on the USA and of 11 March 2004 in Madrid.

By and large, Nordic governments are committed to and engaged in the EU's ambitions for a higher international profile, including a readiness to intervene abroad. The question remains, however, to what extent EU-mandated military interventions are motivated by the same values that have traditionally supported Nordic engagements in the service of international peace and security. To critics, some EU operations resemble the colonial-style interventions of the previous Belgian, British, Dutch and French empires. The motivations behind the newly created EU battle groups resemble the classic mission of the US Marines, whose highly trained and well-equipped units have for a century been on stand-by to intervene on short notice in the Caribbean or in Central America to protect US interests and citizens.

The Nordic countries do not have similar recent colonial legacies or histories of armed intervention in overseas locations. In fact, three of these small democracies gained sovereignty only in the 20th century. Building national military capacities to be able to take part in semi-colonial interventions may thus not be seen in all political quarters as a priority national security task. As noted by Christensen, the traditional Nordic strategy has been a 'counter-power' approach. Civil instruments have been stressed ahead of military force; so-called soft power techniques have been favoured; and security enhancement through confidence building and informal networking across political boundaries has been advocated. In part this orientation has been motivated by value preferences and in part by sheer necessity. Very limited hard resources are available for external power projection by these small countries.

In many ways, the Nordic approach to international peace and security is close to the original European Community method of building, over time, reliable expectations of peaceful resolution of conflicts through networking in a non-zero sum political context. The current vogue for building military capacity for international operations at a distance deviates, in fact, from this EU legacy as well as from the Nordic traditional security enhancement approach. So far, the neocolonial features of the ESDP have not been widely debated within Nordic societies. However, critics do object to the perceived military dominance within these so-called international crisis management operations. Finland and Sweden have since the autumn of 1999 consistently pushed for giving a greater weight to the civil aspects of these deployments. At the Gothenburg European Council of June 2001, a common strategy for conflict prevention was adopted, following a Swedish initiative.

Setting the Nordic countries against the European Union represents a false dichotomy. In the Nordic political landscape it has never been an either-or proposition, but always a question of pursuing both civil and military approaches in some sort of

balance with each other. Political attention has shifted between the two approaches over time, but both have always been politically relevant. In Denmark an analogy is often made with an individual person who does not replace his or her family through marriage, but retains the kinship of family while adding the legally binding bond of marriage. Of course, the contract of law takes precedent over kinship: but the former can be discontinued, albeit at some cost and pain. In contrast, the mark of a family bond cannot be erased, even if one wanted to do so.

Nordic 'family affairs' within a wider Euro-Atlantic community of contractual obligations have been relatively salient over the past 50 years. After the collapse of the negotiations for a Scandinavian Defence Union in 1949, informal trans-governmental cooperation was launched among the armed services on the lines of plans set out in great detail in the then secret appendices to the never concluded defence treaty. As compensation for the symbolic setback in the defence field, the Nordic Council was established in 1952 by the Nordic parliaments. This Danish initiative served a purpose similar to the Messina Conference, which followed the failure of the European Defence Community initiative in 1954 and led to the 1957 Treaty of Rome.

Sector-based coordination among Nordic civil servants was spearheaded, and generated concrete policy results, during the 1950s and 1960s. The free movement of people was initially given precedence over the trans-border flow of goods. The 1961 agreement between Finland and the European Free Trade Area resulted in the removal of customs barriers between Denmark, Finland, Norway and Sweden on 31 December 1967, ahead of the Common Market schedule of the European Community (EC). As a result of the Danish (and planned Norwegian) membership of the EC in 1973, the Nordic Council of Ministers was established to push forward Nordic solutions to the remaining cross-border problems. The Nordic Investment Bank became a considerable financial force in regional development. considerable government funding was provided for common programmes in culture, higher education and research to nurture the common identity, several joint institutions were erected to manage the common budgets and programmes, and a small Nordic bureaucracy was established.

During the 1990s Nordic leaders devoted considerable energies to engaging and assisting the vulnerable democracies in the Baltic Sea region. In particular, security-enhancing projects were given high priority and US involvement was sought. After the Baltic states' joined NATO and the EU in 2004, a Nordic debate on the future direction of regional cooperation in the Baltic Sea region gained new impetus. Nordic service industries, not least the finance sector, already consider this sphere as a home market and push for the removal of new barriers to the free flow of money, communication and people. As during previous periods of geo- and eco-political transformation in the North, the pivotal question is how to combine contractual engagements in the wider Euro-Atlantic community with the concrete and practically focused trans-border cooperation needs of the immediate 'family'.

When looking to the future prospects for achieving policy coherence among the Nordic countries within the wider development of the ESDP, the underlying dynamics behind such coherence should be considered. Only to a limited extent is this common orientation in the security and defence area a result of deliberate intergovernmental cooperation. Rather, its primary foundation is the inherent harmony of values, attitudes and outlooks towards questions of war and peace among the professional elites in these nations. Coherence is more the result of parallel national actions, based on independent expert judgements, than of explicit intergovernmental negotiations. However, these

distinctly formulated national stands are informed by a constant flow of ideas and of telling examples among professional and political elites.

Trans-governmental coordination as a process of mutual learning through networking is the basis for the policy coherence that often, but not always, results. Diffusion of policy initiatives and best practices across national settings generates coherence in doctrines and practices. Any ambition of integrating the Nordic region is not a driving political force. Instead, consensus formation around policy outcomes is processed through the adoption of shared problem frames and common views on the realm of the desirable and the possible within the sector.

A closer look at the internal dynamics of the EU also reveals that the processes of transnational policy diffusion may be just as consequential for coherence of doctrines and practices as the open and deliberate drive for political integration. Over time, prevalent practices become institutionalized and protected by stakeholders. They are then codified through directives, agreements or even intergovernmental treaties. In this way, the European Union has widened its mandate to cover many new policy sectors that were not included in the original formula of the 1950s for a common market and the protection of agriculture.

Irrespective of the fate of the EU's Constitutional Treaty, in which the ESDP has a prominent place, the forward-moving dynamics in this sector are not going to stall. All the Nordic governments will need to develop their positions with regard to these evolving practices, the new institutions, and the required capabilities and operational tasks. The diffusion of ideas between Nordic capitals will inform this policy-shaping work. Similarly, opinions will be exchanged with the elites of other nations. Some novelties may be articulated through think tanks and in the working chambers of Brussels.

Clearly, an important new chapter is now under way as the Union takes on the core functions of the European social contract: securing the survival of democratic society and the safety of its citizens. As noted by Magnus Ekengren in part III of this volume, the notions of the internal and the external breakdown in this drive to transform the EU from a security community free of internal political violence into a secure community capable of safeguarding its members from threats at home and abroad. The Nordic countries may well be instrumental in this policy-shaping enterprise and could help move the Union beyond the present confines of the European Security and Defence Policy.

