

# 1. Euro-Atlantic security and institutions

PÁL DUNAY and ZDZISLAW LACHOWSKI

## I. Introduction

In 2004 Euro-Atlantic relations continued to be shaped by the United States' pursuit of its fight against international terrorism and by US and European Union (EU) attempts to reduce and ultimately bridge the divide created by the decision to bring about regime change in Iraq by military force. The USA began its return to multilateralism through the United Nations (UN), the North Atlantic Treaty Organization (NATO) and in relations with the EU, although not without hesitation and persistent attempts to set the agenda according to US priorities.

Both the EU and NATO, and their largest and most influential members, reached more decisively beyond their European limits in 2004. In the case of the EU, this tendency has become more pronounced because of its more active neighbourhood policy, combined with the pressure felt by all European bodies to react better to 'new' transnational threats. Competition between the two main security institutions has underlined the continuing Western dilemma between Atlantic precedence and European autonomy.

The EU and NATO enlargement processes culminated in the accession of 10 countries to the EU and 7 to NATO in 2004. In the medium-term perspective, the high point of both enlargement processes has been passed. Spreading the doctrine of 'a rule-based international order [and] effective multilateralism' continues to underpin EU policy on international security.<sup>1</sup> The EU has engaged with a number of countries regarding future enlargement—including Bulgaria and Romania, which have completed their accession negotiations, and Croatia and Turkey, which will begin theirs in 2005. The EU has also enhanced its efforts to create a 'ring of friends' on its borders, and NATO has started to build partnerships by reaching out to regions of strategic interest to the organization.

In those Commonwealth of Independent States (CIS) countries where the prospects for integration into the EU have remained more ambiguous, 2004 brought about a 'parting of the ways'. Developments in 2004 demonstrated that the unification of Europe as a community of values has not been completed and that democratization in many countries east of the EU and NATO areas, although routinely advocated in declarations, is neither generally accepted nor pursued by all national leaders and elites. The intra-regional divide has become pronounced both in the CIS and in the Western Balkans.

<sup>1</sup> 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/pressdata/EN/reports/78367.pdf](http://ue.eu.int/uedocs/cms_data/docs/pressdata/EN/reports/78367.pdf)>.

The fundamental changes in Georgia and Ukraine that framed the year made this highly visible. These changes mark new beginnings rather than final destinations for the countries concerned. Other neighbours of the EU have more uncertain ambitions and prospects: especially Russia, whose domestic and regional policies may complicate the pursuit of European unity. Russia has also made moves to reduce its cooperation with institutions—the Organization for Security and Co-operation in Europe (OSCE) and the Council of Europe—whose relative unimportance to Russia make such risks affordable.

This chapter addresses select issues of relevance to Euro-Atlantic security. Section II discusses the development of US policy in 2004. Section III describes developments in NATO and section IV discusses the EU. The main political developments in the CIS countries are described in section V. Section VI presents conclusions. Attempts to reform the OSCE are addressed in appendix 1A.

## II. The policies of the United States

The statement by US President George W. Bush on 8 December 2004 that ‘we remain a nation at war’ characterizes the current US approach to international security.<sup>2</sup> Many countries do not share his conviction and diverging perceptions have made cooperation difficult. Three issues dominated the US security agenda: (a) continuing attempts to stabilize Iraq and to generate and maintain the necessary international support for the stabilization process; (b) further measures to strengthen homeland security after the 11 September 2001 terrorist attacks on the USA, combined with investigations into the intelligence failures that contributed to those attacks and to the rationale behind the war on Iraq; and (c) the presidential election, which tested the domestic political consensus on security issues in the USA.

### **Stabilizing Iraq: rebuilding transatlantic relations**

The Iraq conflict in 2003 and the build-up to it divided the Euro-Atlantic community. The USA and its coalition partners won the war without too much difficulty but stabilizing the country afterwards posed a different challenge.<sup>3</sup> It became obvious that maintaining control of Iraq’s territory would require capabilities other than those associated with high-intensity warfare—and more manpower than was required in the ‘technology-intensive’ war phase.

In 2004 the two main reasons cited for the war on Iraq were revisited—the Baathist regime’s alleged connections with terrorist organizations, specifically with al-Qaeda, and its possession of weapons of mass destruction (WMD).

<sup>2</sup> The White house, ‘President’s statement on intelligence reform and Terrorism Prevention Act of 2004’, Office of the Press Secretary, Washington, DC, 8 Dec. 2004, URL <<http://www.whitehouse.gov/news/releases/2004/12/print/20041208-11.htm>>.

<sup>3</sup> See Cottey, A., ‘The Iraq war: the enduring controversies and challenges’, *SIPRI Yearbook 2004: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2004), pp. 67–93.

According to President Bush, ‘the reason [why] I keep insisting that there was a relationship between Iraq and Saddam and al-Qaeda [is] because there was a relationship between Iraq and al-Qaeda’.<sup>4</sup> Analysts drew a different conclusion:

[the] Iraqi regime no doubt had a record of support for terrorism, of which its announced incentives for Palestinian suicide bombers was an egregious . . . example. But if the primary target of the ‘war on terrorism’ was meant to be the ‘terrorists of global reach’ that could and would conduct massive attacks against the United States, then removing Saddam was a minor contribution at best. In that sense, if anything, the war in Iraq was a significant distraction from the war on terror.<sup>5</sup>

That international terrorists have been operating on Iraqi territory since the fall of the Saddam Hussein regime has been easier to substantiate than the allegation that Islamic terrorist groups were permitted to operate from Iraq during Saddam Hussein’s rule.

As far as the presence of WMD in Iraq is concerned, international inspectors did not find WMD in Iraq before the war and they were not found there after it either.<sup>6</sup> British Prime Minister Tony Blair eventually conceded that the ‘evidence about Saddam having actual biological and chemical weapons, as opposed to the capability to develop them, has turned out to be wrong’.<sup>7</sup> At the beginning of 2005, the case on Iraqi WMD was closed by the USA after nearly two years of searching in an occupied country had brought no result.<sup>8</sup>

If the two main factual claims behind the war on Iraq were further weakened during 2004, the general legal assessment of the war has remained unchanged—although better informed. Although the war was presented as ‘pre-emptive action’, in the absence of a threat of imminent attack it could at best be identified as prevention. When seeking to prevent a more remote threat, the first recourse should not normally be military measures. Despite the arbitrary change of terminology by the USA from prevention to pre-emption to legitimize the military action, the norms of international law have never supported the war on Iraq.<sup>9</sup>

After the end of the Iraq war the USA adapted its discourse to the changed circumstances. This was probably because of the realization that it was not in its interests for its action to be identified with a broad interpretation of pre-emption. ‘Once you start down and you say, “well, preventative war is some-

<sup>4</sup> ‘Transcript: President Bush Speaks About 9/11 Commission’, *Washington Post* (Internet edn), 17 June 2004, URL <<http://www.washingtonpost.com/wp-dyn/articles/A49013-2004Jun17.html>>.

<sup>5</sup> Gordon, P. H., ‘The war on terrorism’, eds G. Lindstrom and B. Schmitt, *One Year On: Lessons from Iraq*, Chaillot Papers no. 68 (Institute for Security Studies: Paris, Mar. 2004), p. 161.

<sup>6</sup> See chapters 12 and 13 in this volume.

<sup>7</sup> Labour Party, ‘The opportunity society’, Speech by Tony Blair MP, Prime Minister and Leader of the Labour Party, Labour Party Annual Conference, Brighton Centre, 28 Sep. 2004, URL <[http://www.labour.org.uk/ac2004news?ux\\_news\\_id=ac04tb](http://www.labour.org.uk/ac2004news?ux_news_id=ac04tb)>.

<sup>8</sup> ‘Iraq’s WMD: case closed’, *International Herald Tribune*, 14 Jan. 2005, p. 6. On the work of the Iraq Survey Group see chapter 13 in this volume.

<sup>9</sup> See ‘Pre-emptive action’, Advice no. 39, Advisory Council on International Affairs, The Hague, July 2004, p. 5, URL <<http://www.aiv-advice.nl>>; and Reynolds, P., ‘Choice of words matters’, BBC News Online, URL <[http://news.bbc.co.uk/1/hi/world/middle\\_east/3661976.stm](http://news.bbc.co.uk/1/hi/world/middle_east/3661976.stm)>.

thing I can do because I think it could be a problem in the future”, you set a new standard of international behavior. If the United States can go after Iraq when it admits it’s not an imminent threat, but could be, what prevents India from going after Pakistan, Russia against Georgia, China against Taiwan?’<sup>10</sup> Recognizing the corrosive effect of a broad interpretation of pre-emption on the international system, the USA made efforts to limit the damage, leading US Secretary of State Colin Powell to claim that ‘observers have exaggerated the centrality of pre-emption in US strategy’.<sup>11</sup>

In 2004 the USA’s main aim seemed to be to return, or at least to pay more convincing lip service, to multilateralism. However, while it has cooperated more closely with the countries that contributed to the Iraqi stabilization effort, the opponents of war received a differentiated response. Reconciliation with Germany and Russia was considered more important than with France, which was mentioned as a source of rhetorical disease, the spread of which must be contained.<sup>12</sup> These differences notwithstanding, President Bush declared in November 2004, after his re-election, that he ‘wants to work more closely with all of Europe’.<sup>13</sup> There is a growing realization in the USA that it is ‘EU Europe’ that has the resources, and increasingly also the complex power base, to complement US efforts in Iraq and globally.

The occupying powers sought to convince a wider range of states to assist with the stabilization of Iraq. This attempt has proved partly successful thanks to the weight and influence of the USA in international relations—as well as the attitude of many countries which realize that it would be highly irresponsible to allow Iraq to end up as a failed state. However, the improved commitment to stabilization has been clearer at the multilateral NATO and EU levels than in the actions of individual partners, demonstrating that democracies face problems when they engage in military operations that are opposed by the majority of their electorate. Many European governments found it difficult to sustain their place in the US-led military coalition in the longer run.<sup>14</sup> It remains to be seen whether these experiences will provoke a re-think on the value of ad hoc coalitions compared with more binding institutional frameworks for intervention.

The gradual withdrawal of the occupying forces from Iraq would not present a problem if there were stability there. Despite the handing over of sovereignty to Iraqi authorities on 28 June 2004, and elections to a National Assembly

<sup>10</sup> Korb, L., quoted in Stanley Foundation, US Strategies for National Security Program, ‘America: more or less secure?’, Transcript of a debate, 4 Oct. 2004, URL <[http://www.stanleyfoundation.org/programs/sns/secure/dayton\\_transcript.html](http://www.stanleyfoundation.org/programs/sns/secure/dayton_transcript.html)>.

<sup>11</sup> Powell, C., ‘A strategy of partnerships’, *Foreign Affairs*, vol. 83, no. 1 (Jan./Feb. 2004), p. 24.

<sup>12</sup> Daalder, I. H., The Brookings Institution, ‘Troubled partnership: what’s next for the United States and Europe’, Brookings Institution/Hoover Institute Briefing (transcript prepared from a tape recording), 10 Nov. 2004, URL <<http://www.brookings.edu/comm/events/20041110.pdf>>.

<sup>13</sup> US Department of State, International Information Programs, ‘Powell urges Europe to work with US to support democracy: Secretary of State addresses German Marshall Fund’, Brussels, 8 Dec. 2004, URL <<http://usinfo.state.gov/usinfo/Archive/2004/Dec/08-827028.html>>.

<sup>14</sup> A number of countries have either declared their intention to withdraw their troops from Iraq or implemented such a decision, see below.

held on 30 January 2005,<sup>15</sup> security conditions remain precarious both for Iraqis and for foreign troops. The USA suffered the highest number of coalition casualties in 2004, with 894 killed and 7795 wounded.<sup>16</sup> Meanwhile, economic recovery is also a hostage to the broader political, legal and security conditions in Iraq. According to a December 2003 US Department of Defense (DOD) memo, competition for reconstruction contracts financed by the US Agency for International Development (USAID) was limited to ‘companies from the United States, Iraq, coalition partners and force contributing nations’.<sup>17</sup> Under severe international pressure, the USA later modified its stance in order not to further alienate its partners. However, by late 2004 the situation appeared in a somewhat different light. In the absence of security, legal certainty and predictability, there are only a limited number of sectors where it will be possible to make a profit in the foreseeable future. Under these conditions, it is difficult to attract investors or even to prevent the departure of existing investors and contractors.<sup>18</sup> Reducing Iraq’s national debt also requires the cooperation and agreement of the G8 countries because Iraq’s six largest creditors are members of the group.<sup>19</sup>

The stabilization of Iraq has not been successful but the transatlantic divide that emerged during the build-up to the war there has narrowed. Powerful forces, *inter alia* in the business sector on both sides of the Atlantic, have been at work to re-establish normal working relations.<sup>20</sup> The sources of influence at the disposal of some European states and the USA may help bring home to the Euro-Atlantic partners their mutual indispensability to the pursuit of global stability based on the understanding that conflict management and post-conflict rehabilitation require resources beyond military power.

### **Homeland security and anti-terrorist programmes**

The 11 September 2001 terrorist attacks on the USA were a critical watershed with lasting repercussions. Reform of US homeland security measures and of US intelligence services continued in 2004. The latter were held largely responsible for the failures that made it impossible for the USA to adequately prepare for the new security threats it faced.

Homeland security was, perhaps, the area of security management where the gap between intentions and accomplishments in the first term of the Bush

<sup>15</sup> Elections were also held on the same day for a Kurdish regional assembly as well as for a variety of other regional bodies and positions.

<sup>16</sup> ‘US casualties in Iraq’, Globalsecurity.org, URL <[http://www.globalsecurity.org/military/ops/iraq\\_casualties.htm](http://www.globalsecurity.org/military/ops/iraq_casualties.htm)>. For details of casualties in the Iraq war see chapter 2 in this volume.

<sup>17</sup> Fuller, T. and Knowlton, B., ‘Iraq: ban on contracts angers allies’, *International Herald Tribune*, 11 Dec. 2003, pp. 1 and 6.

<sup>18</sup> Pelham, N., ‘Mobile phone group threatens to quit Baghdad’, *Financial Times*, 23 Dec. 2004.

<sup>19</sup> McKay, E., ‘Debt relief weighed down by IMF burden’, Inter Press News Agency, 23 Nov. 2004, URL <<http://www.ipsnews.net/interna.asp?idnews=26401>>.

<sup>20</sup> See Daft, D. and Fitzgerald, N., ‘Business can help bridge the transatlantic rift’, *Financial Times*, 22 Jan. 2004, p. 13. The authors are co-chairs of the Transatlantic Business Dialogue.

presidency was the narrowest.<sup>21</sup> More than three years have elapsed since 11 September 2001 without another large-scale terrorist attack on the territory of the USA, 'yet . . . the terrorist threat to America remains'.<sup>22</sup> The Homeland Security Advisory System did not identify a low level of threat for a single day in 2004, oscillating most often between an elevated and a high level of threat.<sup>23</sup> The message is clear—the US Government is aware of the threat and is able to reassure the electorate that it can cope.

In 2004 the US Department of Homeland Security (DHS) continued to expand its activities, establishing additional institutional structures and standards, and becoming more fully operational with the opening of the Homeland Security Operations Center (HSOC). The main functions of the HSOC are to manage domestic incidents and to share information, which should increase coordination between the public and private sectors, including different levels of government.<sup>24</sup> The two-way channels of communication connect all 50 US states, its territories and major urban areas in real time.<sup>25</sup> A National Incident Management System (NIMS) has been established on the basis of the experience of the US Fire Administration. While the HSOC provides for vertical connection in the public sector, NIMS, through its Integration Center, ensures inter-agency coordination and implementation.<sup>26</sup> In 2004 the USA conducted the first ever federal government-wide emergency simulation exercise with the involvement of more than 40 federal agencies.<sup>27</sup> Although the lessons learned from this exercise have not been made public, it has reportedly provided useful experience of interoperability and interconnectivity between federal departments and agencies.

Capacity building has also continued nationally. The US Government reacted to a long-standing shortcoming by providing protection against the threat of biological attacks. The BioShield Project, signed into law on 21 July 2004, authorized \$5.6 billion over 10 years 'for the government purchase and stockpile of vaccines and drugs to fight anthrax, smallpox and other potential

<sup>21</sup> Gaddis, J. L., 'Grand strategy in the second term', *Foreign Affairs*, vol. 84, no. 1 (Jan./Feb. 2005), p. 3.

<sup>22</sup> The White House, Office of the Vice President, 'Vice president's remarks at the opening of the Department of Homeland Security operations center', Washington, DC, 8 July 2004, URL <<http://www.whitehouse.gov/news/releases/2004/07/20040708-20.html>>.

<sup>23</sup> The Homeland Security Advisory System was established in Mar. 2002. It prescribes warnings at 5 different threat-condition levels corresponding to colours: low (green), guarded (blue), elevated (yellow), high (orange) and severe (red). Each level triggers an incrementally more stringent set of protective measures. Stevenson, J., International Institute for Strategic Studies, *Counter-terrorism: Containment and Beyond*, Adelphi Paper 367 (Oxford University Press: Oxford, 2004), p. 19.

<sup>24</sup> US Department of Homeland Security, 'Threats and protection', Fact sheet: homeland security operations center (HSOC), Washington, DC, URL <<http://www.dhs.gov/dhspublic/display?theme=30&content=3813>>.

<sup>25</sup> US Department of Homeland Security, 'Statement by Secretary Tom Ridge before the National Commission on Terrorist Attacks On the United States', Speeches and Statements, 19 May 2004 URL <<http://www.dhs.gov/dhspublic/display?content=3571&>>.

<sup>26</sup> US Department of Homeland Security, 'DHS organization: emergency preparedness and response', Fact Sheet: National Incident Management System (NIMS), Washington, DC, URL <<http://www.dhs.gov/dhspublic/display?theme=51&content=3423>>.

<sup>27</sup> US Department of Homeland Security, 'Fact Sheet: Forward Challenge 04', Press Release, Washington, DC, URL <<http://www.dhs.gov/dhspublic/display?content=3553>>.

agents of bio-terror'. It will also help expedite research and development (R&D) in this field.<sup>28</sup> No reference was made to earlier shortcomings, however, such as the failure to investigate the anthrax letters in 2002.<sup>29</sup>

The integration of the USA in the world economy makes it necessary for US homeland security measures to be enforced extra-territorially, notably through cooperation with countries that have major ports which connect the world with the USA. Before 11 September 2001, US customs officials did not inspect a container of cargo until it reached US shores. However, inspectors are now present at the 17 busiest seaports outside the USA.<sup>30</sup> Even though it is difficult to ascertain how effective such measures have been in addressing terrorism, there is indirect evidence that they have been effective at fighting certain criminal activities such as drug trafficking. The USA has convinced other developed nations to further improve ship and port security through multilateral frameworks. The G8 member states' justice and home affairs ministers, for example, agreed to develop an auditing checklist to enable countries 'to conduct voluntary self-audits to verify their compliance' with international codes on shipping and port security in May 2004.<sup>31</sup> The increased emphasis on port security and sea transport security is, however, somewhat at odds with the fact that since 11 September 2001 'about 90 per cent of the \$5 billion annual investment in transportation security has gone to aviation'.<sup>32</sup>

The USA has made the most far-reaching changes in setting new regulations for the movement of people. Those who travel to the USA under the Visa Waiver Program are obliged to hold a machine-readable passport. If they do not have such a passport they are obliged to obtain either a visa or a one-off exemption.<sup>33</sup> Through this measure, the USA has encouraged the introduction of machine-readable passports worldwide. The US DHS has introduced the first biometric facial recognition standard to be used in travel documents.<sup>34</sup> Because of the contribution this measure has made to security, and the leading role of the USA in homeland security-related matters, the application of such measures seems likely to spread quickly. Measures that make the storage of personal data more extensive may be regarded as controversial from the pri-

<sup>28</sup> 'President Bush signs Project Bioshield act of 2004', The White House, Office of the Press Secretary, 21 July 2004, URL <<http://www.whitehouse.gov/news/releases/2004/07/20040721-2.html>>.

<sup>29</sup> On the 'anthrax letters' sent in the USA in 2002 see Hart, J., Kuhlau, F. and Simon, J., 'Chemical and biological weapon developments and arms control', *SIPRI Yearbook 2003: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2003), pp. 673–75.

<sup>30</sup> US Department of Homeland Security, 'Secretary Tom Ridge speaks at Drexel University in Philadelphia', Speeches and Statements, 24 May 2004, Philadelphia, Pa., URL <<http://www.dhs.gov/dhspublic/display?content=3588>>.

<sup>31</sup> G8, Meeting of G8 Justice and Home Affairs Ministers, 'Communiqué', point 6, Washington, DC, 11 May 2004, URL <<http://www.usdoj.gov/ag/events/g82004/documents.html>>.

<sup>32</sup> 'Final Report of the National Commission on Terrorist Attacks upon the United States: the 9/11 Commission Report', Official Government edn, Executive Summary, URL <<http://www.gpoaccess.gov/911>>.

<sup>33</sup> US Department of Homeland Security, 'Fact sheet: machine-readable passport requirement', Washington, DC, 26 Oct. 2004, URL <<http://www.dhs.gov/dhspublic/display/?content=4076>>.

<sup>34</sup> US Department of Homeland Security, 'Department of Homeland Security adopts facial recognition standard', Press Release, Washington, DC, 28 Oct. 2004, URL <<http://www.dhs.gov/dhspublic/display?content=4080>>.

vacy or human rights perspective,<sup>35</sup> but may prove more acceptable if such measures have a positive effect on security.

The international expansion of homeland security requires cooperation by as many countries as possible, but the USA has given special priority to cooperation with Europe, and more specifically to the EU. The EU is the only actor that the USA has sought to establish a comprehensive relationship with in the broad area of homeland security. For example, (a) the EU and the USA in 2004 signed an agreement that calls for the 'prompt expansion of customs and border protection's Container Security Initiative throughout the European Community';<sup>36</sup> (b) the European Commission has provided funding for the transfer of airline passenger name record (PNR) data to the US DHS;<sup>37</sup> and (c) an agreement in principle was reached to use biometric features in EU passports. The latter point is an important issue because many EU citizens do not require a visa when entering the USA for a short visit. As then Secretary of Homeland Security Tom Ridge commented, 'it was up to the US and Europe to set the biometrics path for the rest of the world to follow'.<sup>38</sup> Originally planned for mid-2006, the introduction of biometric features is now likely to be delayed until 2007.<sup>39</sup>

Close transatlantic cooperation is not confined to concrete activities—it has extended to inter-institutional relations between the US DHS and EU organs.<sup>40</sup> Europol established a formal liaison agreement with US law-enforcement agencies in December 2001 and opened a liaison office in Washington, DC, in August 2002. Under the new transatlantic relationship, 'strategic' or 'technical' information on threats, crime patterns, risk assessments and investigative procedures can be shared. In 2004 the US DHS appointed a full-time attaché to the EU.<sup>41</sup> It is increasingly clear that the EU will become the primary partner of the USA across the broad array of justice and homeland security activities.

<sup>35</sup> Human Rights Watch, 'US Homeland Security Bill lacks rights protections', Washington, DC, 27 Sep. 2002, URL <<http://hrw.org/press/2002/09/us0927.htm>>.

<sup>36</sup> US Department of Homeland Security, 'European Community and Department of Homeland Security sign landmark agreement to improve Container Security and expand CSI', Press Release, Washington, DC, 22 Apr. 2004, URL <[http://www.dhs.gov/dhspublic/interapp/press\\_release/press\\_release\\_0389.xml](http://www.dhs.gov/dhspublic/interapp/press_release/press_release_0389.xml)>.

<sup>37</sup> The White House, Secretary Ridge Statement on European Commission Decision, Statement by Homeland Security Secretary Tom Ridge on European Commission decision, US Department of Homeland Security, Washington, DC, 17 May 2004, URL <<http://www.whitehouse.gov/news/releases/2004/05/20040517-9.html>>.

<sup>38</sup> Best, J., 'US urges EU to lead the way in biometric IDs', Zdnet UK, URL <<http://news.zdnet.co.uk/business/legal/0,39020651,39117495,00.htm>>.

<sup>39</sup> US Department of Homeland Security, 'Transcript of Under Secretary Asa Hutchinson and European Union Director-General Jonathan Faull at press conference', Press Conference, Washington, DC, 19 Nov. 2004, p. 3, URL <<http://www.dhs.gov/dhspublic/display/?theme=44&content=4153&>>.

<sup>40</sup> Stevenson (note 23), p. 55.

<sup>41</sup> US Department of Homeland Security, 'Remarks by Secretary of Homeland Security Tom Ridge at the European Policy Centre', Speeches and Statements, Brussels, Belgium, 13 Jan. 2005, URL <<http://www.dhs.gov/dhspublic/display?content=4302>>.



Despite these achievements, the funding provided for US homeland security in fiscal year 2005 increased by only \$500 million on the previous year.<sup>42</sup> This means that US DHS activities account for approximately 10 per cent of DOD spending, making it a cost-effective contribution to the security of the USA.

The failure to predict the 11 September 2001 terrorist attacks and the incorrect assessment of the two main underlying reasons for launching a war on Iraq put the US intelligence community under the spotlight. There has been widespread criticism of the USA for politicizing intelligence on pre-war Iraqi capabilities. The Final Report of the National Commission on Terrorist Attacks upon the United States (the 9-11 Commission Report) was published on 22 July 2004.<sup>43</sup> Its recommendations—ordering further investigation into the allegations about Iraq's possession of WMD and reforms of the intelligence services—have been approved. The reforms were the first major reorganization of the US Government since the establishment of the US DHS.<sup>44</sup>

Information provided by the US intelligence services provides grounds for major operational decisions. The USA has huge strategic assets at its disposal and is better positioned than any other country to turn its political decisions into military action. Many countries follow US assessments and policy judgments derived from US intelligence, and most do not have the means to double-check such information using national resources. The huge US intelligence machinery has apparently underperformed at key moments, and the impact has been exacerbated by the reliance of decision makers on intelligence information when taking major strategic decisions. The Commission concluded that 'terrorism was not the overriding national security concern' for the USA until 11 September 2001, and it identified certain shortcomings in the fields of policy, capabilities and management. According to the report, there was a policy of belittling the terrorist threat that led to a lack of imagination when taking action to counter it.<sup>45</sup> The Commission concluded that capabilities remained oriented towards cold war-type threats.<sup>46</sup> The most important weaknesses in agency capabilities were identified in the domestic arena, specifically at the Federal Bureau of Investigation (FBI). In management, there was a lack of pooling of intelligence, resources and of priority setting. The problems identified in the aftermath of the September 2001 terrorist attacks were exacerbated by inadequate intelligence relating to Iraq. While the former case was closed in 2004, the administration took care that any final assessment of

<sup>42</sup> US Department of Homeland Security, 'Fact sheet: Department of Homeland Security Appropriations Act of 2005', Press Release, Washington, DC, 18 Oct 2004, URL <[http://www.dhs.gov/dhspublic/interapp/press\\_release/press\\_release\\_0541.xml](http://www.dhs.gov/dhspublic/interapp/press_release/press_release_0541.xml)>.

<sup>43</sup> National Commission on terrorist attacks upon the United States, *The 9/11 Commission Report: Final Report of the National Commission on Terrorist Attacks Upon the United States* (US Government Printing Office: Washington, DC, 22 July 2004), URL <<http://www.gpoaccess.gov/911>>.

<sup>44</sup> Anthony, I. *et al.*, 'The Euro-Atlantic system and global security', *SIPRI Yearbook 2003: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2003), p. 54.

<sup>45</sup> National Commission on terrorist attacks upon the United States (note 43).

<sup>46</sup> See Clarke, R. A., *Against All Enemies: Inside America's War on Terror* (Free Press: New York, 2004).

the intelligence on Iraq's WMD was made after the presidential election in November 2004.<sup>47</sup>

The Commission focused on the activities of producers rather than consumers of intelligence.<sup>48</sup> Discussion of the mistakes made by the latter in connection with intelligence management has remained abstract and sketchy. In contrast to other democracies, the majority of US intelligence is operational and its prime consumer is the military.<sup>49</sup> Prior to the Iraq war, the DOD established its own Office of Special Plans to review raw intelligence and, if necessary, to challenge the interpretations made by other parts of the US intelligence community.<sup>50</sup> This issue was generally dodged in the debates on reform, which focused on whether or not intelligence should be coordinated by the newly established Director of National Intelligence (DNI), separate from the director of the Central Intelligence Agency (CIA). In the end, it was agreed that the DNI would serve in the Executive Office of the President,<sup>51</sup> which may alleviate the problems that stem from the constitutional separation of domestic and foreign intelligence. However, the DNI will play a political role and this new function and its location in the administration may exacerbate rather than eliminate the problem of the 'politicization' of intelligence. Whether these actions alone, without carrying out changes on the 'intelligence demand side', will improve capabilities sufficiently is open to doubt.<sup>52</sup> Among the most important lessons learned is the need to keep distance between the intelligence community and its political masters in order to maintain professional autonomy. The political sphere should assign tasks but remain careful not to pre-judge outcomes.<sup>53</sup>

### Security policy consensus in the USA

Presidential and congressional elections took place in the USA in 2004. While the presidential campaign emphasized the differences between the two main candidates' positions rather than the similarities, it was clear at the beginning of the campaign that any new administration's agenda would be dominated by the need to stabilize Afghanistan and Iraq, and by established challenges such

<sup>47</sup> The Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction was established by Executive Order 13328 in Feb. 2004 and is to report by 31 Mar. 2005. See Best, R. A., 'Intelligence issues for Congress', Congressional Research Service, Issue Brief for Congress, 9 Dec. 2004, p. 10.

<sup>48</sup> See Betts, R. K., 'The new politics of intelligence: will reforms work this time?', *Foreign Affairs*, vol. 83, no. 3 (May/June 2004), p. 3.

<sup>49</sup> Odom, W. E., 'Testimony before the Senate Select Committee on Intelligence', 20 July 2004, p. 4. URL <<http://intelligence.senate.gov/0407hr/040720/witness.htm>>.

<sup>50</sup> Borger, J., 'The spies who pushed for war', *Guardian Unlimited*, 17 July 2003, URL <<http://www.guardian.co.uk/Iraq/Story/0,2763,999737,00.html>>.

<sup>51</sup> See 'Summary of intelligence reform and terrorism prevention act of 2004', 6 Dec. 2004, URL <[http://www.govt-aff.senate.gov/\\_files/ConferenceReportSummary.doc](http://www.govt-aff.senate.gov/_files/ConferenceReportSummary.doc)>.

<sup>52</sup> For other similar investigations in Australia and the UK see chapter 13 in this volume.

<sup>53</sup> Such concerns were formulated in the light of the intelligence failures. See Davis, I. and Persbo, A., 'After the Butler Report: time to take on the group think in Washington and London', BASIC Papers no. 46, Occasional Papers on International Security Policy, July 2004, URL <<http://www.basicint.org/pubs/Papers/BP46.htm>>.

as anti-terrorism and homeland security. Consequently, it was not so much security challenges as an elaboration of the actions required to address them that differentiated the candidates.

The task of stabilizing Iraq as a top priority could not separate the two candidates since President Bush had ordered the launch of the military operation and Senator John Kerry (and his vice-presidential running-mate, John Edwards) had voted in favor of the policy.<sup>54</sup> Kerry campaigned on the theme that the administration ‘miscalculated by rushing to war without a plan for the peace’<sup>55</sup> and claimed that he could do better at dealing with the consequences: ‘with the right kind of leadership from us NATO can be mobilized to help stabilize Iraq and the region. And if NATO comes, others will too’.<sup>56</sup>

In the light of the success of homeland defence, Kerry presented an alternative of fighting ‘a smarter, more effective war on terror’.<sup>57</sup> On intelligence, he noted that the administration had ‘waited three years after September 11th to start to reform our intelligence’<sup>58</sup> and remarked that a ‘new agency and new office space won’t help us infiltrate terrorist organizations operating right in our country’.<sup>59</sup> However, three main reform proposals—to appoint a National Intelligence Director, structure the intelligence community ‘to meet the threats of today’ and strengthen human intelligence—were the subject of bipartisan consensus.<sup>60</sup> This made it difficult to put the issue at the centre of the campaign on security.

The concrete ideas on the Democratic Party agenda that did demonstrate clear differences between the two parties included speeding up the securing of ‘bomb making’ nuclear material, particularly in Russia.<sup>61</sup> Kerry put forward several proposals on non-proliferation and export controls. His nuclear policy was also different from the Bush Administration’s and was more pro-arms control. The security initiatives included one to ‘free America from its dangerous dependence on Mideast oil’.<sup>62</sup> However, they apparently did not strike a chord with the central security concerns of the US electorate.

In sum, although there were visible differences between the positions of the two parties, they seldom represented alternatives for the future. The philosophical differences in foreign policy were apparent when Kerry emphasized

<sup>54</sup> US Congress, Congressional vote on Iraq resolution: 11 Oct. 2002, URL <<http://www.newsbatch.com/upd-iraqresvote.gif>>.

<sup>55</sup> ‘A real difference: remarks by John Edwards’, p. 2 URL <[http://www.johnkerry.com/pressroom/speeches/spc\\_2004\\_0830.html](http://www.johnkerry.com/pressroom/speeches/spc_2004_0830.html)>.

<sup>56</sup> Kerry, J. F., ‘A realistic path in Iraq’, *Washington Post* (Internet edn), 4 July 2004, p. B07, URL <<http://www.washingtonpost.com/ac2/wp-dyn/A24762-2004Jul2?language=printer>>.

<sup>57</sup> ‘Speech to the 2004 Democratic National Convention: remarks by John Kerry’, 29 July 2004, p. 2, URL <[http://www.johnkerry.com/pressroom/speeches/spc\\_2004\\_0729.html](http://www.johnkerry.com/pressroom/speeches/spc_2004_0729.html)>.

<sup>58</sup> ‘A real difference’, Remarks by John Edwards, p. 2, URL <[http://www.johnkerry.com/pressroom/speeches/spc\\_2004\\_0830.html](http://www.johnkerry.com/pressroom/speeches/spc_2004_0830.html)>.

<sup>59</sup> ‘Excerpts from homeland security address’, Remarks by John Edwards, 18 Dec. 2003, p. 2. URL <[http://www.johnkerry.com/pressroom/speeches/spc\\_2003\\_1218.html](http://www.johnkerry.com/pressroom/speeches/spc_2003_1218.html)>.

<sup>60</sup> ‘A real difference’ (note 58)

<sup>61</sup> ‘New strategies to meet new threats’, Remarks by John Kerry, 1 June 2004, p. 2, URL <[http://www.johnkerry.com/pressroom/speeches/spc\\_2004\\_0601.html](http://www.johnkerry.com/pressroom/speeches/spc_2004_0601.html)>.

<sup>62</sup> ‘Strength and security for a new world’, Remarks by John Kerry, URL <[http://www.johnkerry.com/issues/national\\_security/](http://www.johnkerry.com/issues/national_security/)>.

‘belief in collective security and alliances, respect for international institutions and international law, multilateral engagement and the use of force not as a first option but truly as a last resort’.<sup>63</sup> In other areas, it was difficult to translate the message into concrete policies. The eventual victory of George W. Bush by a margin of 3 per cent has generally been interpreted as a popular vote for continuity and stability in security policy: but even more, for ‘values’ relating purely to choices in the USA’s internal affairs.

### III. NATO: striving to regain ground

Having experienced the most acute existential test in its history—the crisis and internal divisions over Iraq—and confronted with the prospect of progressive marginalization in transatlantic relations by its leading member, the USA, NATO looked with hope to its Istanbul Summit on 28–29 June 2004.<sup>64</sup> Along with efforts to reinvent itself, NATO launched new initiatives and continued existing operations outside its treaty area of activity—in Afghanistan and Iraq, in a broader Middle East partnership scheme and through deeper involvement in the Caucasus and Central Asia. The aim was to heal the transatlantic rift and to further expand NATO’s global commitments so that it might appear a credible alternative to US-led ‘coalitions of the willing’. The questions were whether the necessary united political resolve could be found, and whether NATO’s ambitions and commitments could be matched with adequate resources.

Meanwhile, NATO gained an additional lease of life with its ‘big bang’ enlargement. On 29 March 2004, a second group of new Central European countries—Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia—deposited their instruments of accession with the US Government. Along with NATO transformation and new operations, the question of the future of the Partnership for Peace (PFP) thereby gained in importance.<sup>65</sup> An indirect consequence of NATO’s new out-of-area focus was the handover of its Stabilization Force (SFOR) mission in Bosnia and Herzegovina to the EU at the end of the year—an act which by no means resolved the broader questions hanging over EU–NATO ‘strategic partnership’.<sup>66</sup> In addition, there are signs that competition is increasing between the institutions involved in the

<sup>63</sup> US Council on Foreign Relations, ‘Making America secure again: setting the right course for foreign policy’, 3 Dec. 2003, Speeches and Statements Library, Senator John Kerry, Democratic Candidate for President, URL <[http://www.cfr.org/campaign2004/pub6576/john\\_kerry/making\\_America\\_secure\\_again:\\_the\\_right\\_course\\_for\\_foreign\\_policy.php](http://www.cfr.org/campaign2004/pub6576/john_kerry/making_America_secure_again:_the_right_course_for_foreign_policy.php)>.

<sup>64</sup> NATO, Istanbul Summit Communiqué, Issued by the Heads of State and Government participating in the meeting of the North Atlantic Council, Press Release, 28 June 2004, URL <<http://www.nato.int/docu/pr/2004/p04-096e.htm>>.

<sup>65</sup> For members of the PFP see the glossary in this volume.

<sup>66</sup> The NATO Secretary General in July 2004 described the NATO–EU rapprochement as ‘too limited’ and called for cooperation ‘across the entire spectrum of security management’ as a ‘strategic necessity’. NATO, ‘Beyond Istanbul’, Speech by NATO Secretary General Jaap de Hoop Scheffer at the European Policy Centre, Brussels, 12 July 2004, URL <<http://www.nato.int/docu/speech/2004/s040712b.htm>>. One formidable obstacle in this context is the Turkey–Cyprus rift. See also chapter 3 in this volume.

transatlantic dialogue,<sup>67</sup> despite renewed support for NATO as a ‘centerpiece’ of US endeavours in Europe.<sup>68</sup>

The chief obstacle in determining the role of NATO remains the lack of a clear, concerted long-term Euro-Atlantic strategy to replace now antiquated cold-war concepts with a more vigorous response to the threats of the 21st century—terrorism, weak or failed states and proliferation of WMD. The challenge for NATO is to overcome the growing perception that it is a ‘forum for taking decisions on operations’ and to regain the role of a ‘central forum for political debate and decision making’.<sup>69</sup> In 2004 the question of whether NATO is still an organization with shared interests continued to preoccupy observers on both sides of the Atlantic.

### Transformation and capabilities

The underlying principle of NATO’s recent transformation has been the ambition to ‘act global’ in a variety of missions.<sup>70</sup> The reform process began with a cluster of decisions made at NATO’s 2002 Prague Summit and has continued to make progress.<sup>71</sup> Alongside the enlargement process, NATO has continued to restructure its strategic command, improve capabilities and build up new relationships with the aim of better projecting stability and security.

In 2004 the NATO Response Force (NRF) reached initial operational capability and its multinational chemical, biological, radiological and nuclear (CBRN) defence battalion became fully operational as planned.<sup>72</sup> However, in the spring of 2004, the new NATO Secretary General, Jaap de Hoop Scheffer, renewed the appeal for a radical shake-up in NATO’s plans and the financing of its operations. He highlighted the gap between NATO’s huge armed forces

<sup>67</sup> German Federal Chancellor Gerhard Schröder suggested that a high-level panel 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’. Gerhard Schröder, Speech to the 41st Munich Conference on Security Policy, 12 Feb. 2005, URL <[http://securityconference.de/konferenzen/rede.php?menu\\_2004\\_menu\\_konferenzen=&sprache=en&id=143&](http://securityconference.de/konferenzen/rede.php?menu_2004_menu_konferenzen=&sprache=en&id=143&)>. The visit by President Bush to the Brussels EU building in Feb. 2005 signified US recognition of the growing role played by the EU in security matters, such as arms sales to China, policy vis-à-vis Iran, etc.

<sup>68</sup> US International Information Programs, ‘NATO lauded as “centerpiece” of US efforts in Europe’, Press Release, Washington, DC, 21 Feb. 2005, URL <<http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2005&m=February&x=200502211834251ebahcb0.7710993&t=is-is-latest.html>>.

<sup>69</sup> ‘Global NATO?’, Remarks by NATO Secretary General Jaap de Hoop Scheffer at the Clingendael Institute, 29 Oct. 2004, URL <<http://www.nato.int/docu/speech/2004/s041029a.htm>>. The doubts about NATO’s relevance have been reinforced by Chancellor Schröder’s observation that ‘it is no longer the primary venue where transatlantic partners discuss and coordinate strategies’ (note 67).

<sup>70</sup> Apart from the interest in the ‘greater Middle East’, including the southern Mediterranean and the southern perimeter of the post-Soviet space, Supreme Allied Commander in Europe General James L. Jones has suggested that NATO could direct its activities towards Africa. *Atlantic News* no. 3543 (23 Jan. 2004), p. 3; and no. 3628 (18 Nov. 2004), p. 3.

<sup>71</sup> For the impact of decisions in 2002–2003 see Dunay, P. and Lachowski, Z., ‘Euro-Atlantic organizations and relationships’, *SIPRI Yearbook 2004: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2004), pp. 42–44.

<sup>72</sup> In Apr. 2004, NATO decided to back a €4 billion offer by the Transatlantic Industrial Proposed Solution (TIPS) consortium, led by EADS, to develop the Alliance Ground Surveillance (AGS) system. The AGS will by 2010 complete the only NATO-owned airborne warning and control system (AWACS).

inventory and the meagre operational contributions of its member states as well as the need to make forces smaller, more mobile and flexible.<sup>73</sup> At the NATO Istanbul Summit, 'usability' targets and changes to NATO's planning processes were endorsed whereby NATO member states committed themselves to being able to deploy and sustain larger proportions of their forces for NATO operations at all times and to adopt a longer-term defence planning cycle.<sup>74</sup> By providing greater 'predictability' (i.e., real availability of necessary capabilities) these steps are intended to help create a pool of military assets permanently available to NATO so that it does not have to assemble a force from scratch for each mission.

### Afghanistan

Afghanistan has become a key priority and a test for NATO's credibility and ability to operate outside Europe.<sup>75</sup> Since August 2003, NATO has exercised command of the International Security Assistance Force (ISAF).<sup>76</sup> The aim of filling the security vacuum in Afghanistan, which exists practically everywhere outside Kabul, and of enhanced state-building efforts led ISAF to take over responsibility for and to regularize the existing and new small civil-military Provincial Reconstruction Teams (PRTs) around the country.<sup>77</sup> Another task for the 6500-strong NATO-led force is to demobilize, demilitarize and integrate into the new Afghan Army the numerous militias that had previously fought against the Taliban.<sup>78</sup>

In 2004 NATO's Afghanistan mission struggled with the familiar problems of the limited availability of assets from member nations and the related shortfalls in 'force generation' (i.e., timely provision of personnel and matériel).<sup>79</sup> This was the more problematic because of the impending presidential election in Afghanistan, which in the event had to be postponed from June to 9 October. At the Istanbul Summit, NATO agreed to expand ISAF by sending another 3500 troops to provide security for the election and to take over five

<sup>73</sup> Dempsey, J., 'Nato chief says huge shake-up is needed', *Financial Times*, 27 May 2004, p. 1.

<sup>74</sup> The decision refers to an idea put forward by former NATO Secretary General Robertson, whereby each state will ensure that 40% of its armed forces are usable and 8% are sustainable for overseas missions. The defence planning cycle has been extended from 6 to 10 years and will be supplemented by adjustments within the cycle from 2 to 4 years.

<sup>75</sup> 'Our first and immediate priority is to get Afghanistan right'. Speech by NATO Secretary General Jaap de Hoop Scheffer at the National Defense University, Washington, DC, 29 Jan. 2004, URL <<http://www.nato.int/docu/speech/2004/s040129a.htm>>.

<sup>76</sup> For the background to ISAF and PRTs see Cottey, A., 'Afghanistan and the new dynamics of intervention: counter-terrorism and nation building', *SIPRI Yearbook 2003: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 2003), pp 167–194.

<sup>77</sup> On 1 Jan. 2004 the German-led PRT in Kunduz was integrated into the ISAF command chain. See chapter 3 in this volume.

<sup>78</sup> Some of these forces work closely with US-led Operation Enduring Force, which is separate from ISAF.

<sup>79</sup> The issue of helicopters for ISAF is illustrative. Belgium, the Netherlands and Turkey agreed to provide them but, for bureaucratic, financial and logistical reasons, their provision was delayed for several months.

PRTs in the north of the country. On 10 February 2005 a definite decision was taken to extend PRTs to the western part of the country ('phase 2').

Greater consistency (or 'rapprochement') between the activities of ISAF and those of Operation Enduring Freedom is still an unresolved issue. Suggestions from the USA and the NATO Secretary General that the missions be merged under a single NATO command in order to improve activities aimed at countering terrorist groups met with strong Franco-German objections at an informal ministerial meeting in Poiana Brasov, Romania, in mid-October and later.<sup>80</sup>

## Iraq

The split in NATO over Iraq continued in 2004, with the USA calling for greater NATO involvement and many European NATO member states grouped around France and Germany opposing this. The US proposals for 'active involvement' or a 'new collective role' since 2003 have envisaged a wider engagement by NATO in Iraq, possibly in the framework of a broader Middle East policy.<sup>81</sup> Given the potential risk of overstretch that NATO was already facing in Afghanistan, however, it was difficult to see how NATO could engage successfully in another 'hot spot'.

A particular blow was dealt to the concept of deeper NATO involvement by the decision of Spain's new Socialist Party government to withdraw from Iraq in the spring of 2004, made in accordance with a promise made during its election campaign and in the wake of the Madrid bombings in March 2004. Hungary withdrew its troops from Iraq in December 2004 because of a lack of the parliamentary support necessary to extend their stay beyond the end of the year. In the face of growing domestic opposition, Poland and the Czech Republic also planned to withdraw their troops.<sup>82</sup>

By mid-2004, various ideas had been put forward for more direct NATO involvement in Iraq, encouraged by UN Security Council Resolution 1546 on transferring sovereignty to the Iraqis after 30 June 2004.<sup>83</sup> At the Istanbul Summit, however, it became clear that the US-led coalition could not expect support for NATO military forces to be involved in Iraq itself.<sup>84</sup> The most that could be achieved was an agreement for NATO countries to supply training personnel—with no combat role—for the Iraqi security forces.<sup>85</sup>

<sup>80</sup> The discussion on the possible merger of the 2 missions continued at an informal meeting of the NATO defence ministers in Nice in Feb. 2005, but inconclusively. For more on suggestions regarding the merger see *Atlantic News* no. 3650 (11 Feb. 2005), p. 1.

<sup>81</sup> On developments in the Middle East see chapter 5 in this volume.

<sup>82</sup> In Dec. 2004, Poland announced that it would keep its forces in Iraq until the end of 2005. However, the number of its troops was to fall to c. 1700 after the elections in Jan. 2005.

<sup>83</sup> UN Security Council Resolution 1546, 8 June 2004.

<sup>84</sup> French Foreign Minister Michel Barnier considered hoisting the 'NATO flag in Iraq' counter-productive, while President Jacques Chirac warned against the 'great risks' of NATO 'meddling', including the risks of 'the Christian West confronting the Muslim East'. Stroobants, J.-P. and Tréan, C., 'Paris et Washington s'affrontent sur le rôle de l'OTAN en Iraq' [Paris and Washington confront each other over the role of NATO in Iraq], *Le Monde*, 27–28 June 2004, p. 2.

<sup>85</sup> NATO (note 64). Canada, France, Germany and Spain do not envisage training Iraqi forces in Iraq.

The strategic concept and the operational plan for the NATO training mission were agreed in October–November and force generation was due to be completed before elections to the National Assembly in January 2005. An advance planning team from NATO arrived in Iraq in September 2004. The first stage of training for Iraqi security forces began in Norway in early November. In early December, NATO finally agreed to increase its security-force training mission in Baghdad's fortified 'Green Zone' from some 60–300 persons, one-third of which would be instructors. The meeting was accompanied by a renewed argument over the caveats and exceptions that some NATO member states had made regarding their personnel taking part in training in Iraq.<sup>86</sup> On 22 February 2005 the 26 NATO states announced that they had gathered sufficient contributions for the training mission.<sup>87</sup>

### Partnership frameworks

The process of NATO enlargement threw a sharper light on the future of the Euro-Atlantic Partnership Council (EAPC) and the PFP programme. With seven more countries leaving the PFP to become NATO members, it has undergone a 'geographical shift' further east towards the Caucasus and Central Asia.<sup>88</sup> In the autumn of 2004, the NATO Secretary General paid visits to the countries of both regions, and in September he appointed NATO Deputy Assistant Secretary General for Political Affairs and Security Policy Robert F. Simmons Jr as Special Representative for the Caucasus and Central Asia. In these regions, NATO has to deal with politically difficult partners, some of which are locked in crises and conflicts. More generally, it faces a challenge in balancing its aim of democratic transformation and defence institution building, on the one hand, with concern about the authoritarian profile of most of the local regimes, on the other.<sup>89</sup>

In the early months of 2004, the USA canvassed ideas for a NATO 'greater Middle East initiative' to encourage reform and democracy in the Arab world. The gesture was less a military than a political one, designed by the USA to help heal transatlantic divisions after Iraq and to head off the risk that competing European and US strategies would develop for the region. The USA included some European ideas and urged its NATO and EU partners to sup-

<sup>86</sup> Belgium, Germany, Greece, Luxembourg and Spain, as well as France, which is less concerned because it is not part of NATO's integrated military command, referred to the reservations they made in Istanbul, which mean that they will not send military personnel to Iraq.

<sup>87</sup> NATO, 'NATO leaders express unity on Iraq, reaffirm values', NATO Update, 22 Feb. 2005, URL <<http://www.nato.int/docu/update/2005/02-february/e0222a.htm>>. NATO also pledged to establish a military training academy at Ar Rustamiya on the outskirts of Baghdad.

<sup>88</sup> There are 3 distinct groups left in the PFP: the Balkans, the non-aligned European countries and countries in the Caucasus and Central Asia. Albania, Croatia and the FYROM are implementing their Membership Action Plans, while Bosnia and Herzegovina, and Serbia and Montenegro are yet to meet the established conditions for PFP. Monaco, A., 'Ten years on: is there a future for the partnership after NATO enlargement?', *NATO Notes*, vol. 6, no. 1 (ISIS Europe: Brussels, Feb. 2004), pp. 5–7.

<sup>89</sup> Monaco (note 88), pp. 5–7. In Sep. 2004 the PFP 'Cooperative Best Effort 2004' exercise was cancelled after Azerbaijan rejected participation by Armenian officers.



port the initiative.<sup>90</sup> NATO's tasks would be to help rebuild Afghanistan and Iraq and to extend cooperation to the Middle East under a new version of the PFP.<sup>91</sup> In the event, however, the idea of expanding NATO's role in the greater Middle East initiative came to little. Disputes over Iraq, fears about overstretching NATO, lack of agreement about the plan's scope and geographic extent and, not least, reluctance in Arab capitals overshadowed the debate.<sup>92</sup>

In mid-March, NATO decided to extend its Operation Active Endeavour, initiated in October 2001 in the eastern Mediterranean and the Gibraltar Strait, to the entire Mediterranean Sea, and to enlist the support of PFP states as well as the countries of the Mediterranean Dialogue and 'other selected nations'.<sup>93</sup> Russia agreed 'in principle' to join the operation but attached conditions unacceptable to NATO. Both Russia and Turkey have opposed extending Active Endeavour exercises to the Black Sea.<sup>94</sup>

In the run-up to the Istanbul Summit, NATO members discussed options such as strengthening the PFP for the Caucasus and Central Asian countries, cooperation with Russia and Ukraine, a cooperation pact with the Persian Gulf states, and the consolidation of the Mediterranean Dialogue. In addition, NATO expressed a cautious interest in supporting stability and security in the Black Sea region. These discussions resulted in two, possibly complementary, decisions at the summit meeting—to launch a new Greater Middle East Istanbul Cooperation Initiative aimed initially at the Gulf Cooperation Council countries<sup>95</sup> and to reinforce NATO's Mediterranean Dialogue through stronger political cooperation (i.e., political dialogue, efforts to achieve interoperabil-

<sup>90</sup> The 3-pronged plan envisaged promoting good governance, better education and economic growth and tallied with the EU 'Barcelona process' of engaging the Mediterranean countries in a web of trade and political arrangements and improving human rights and economic accountability. Lobjakas, A., 'Middle East: US official in Europe to promote greater regional initiative', Radio Free Europe/Radio Liberty (RFE/RL), Feature article, 5 Mar. 2004; and Dempsey, J., 'US moves closer to Brussels on Middle East political reforms', *Financial Times*, 6–7 Mar. 2004, p. 3. The main US–European difference concerns the impact of the Israeli–Palestinian conflict on reforms in the Arab world.

<sup>91</sup> According to a group of international experts which prepared a draft scheme for promoting democracy 'NATO's new role would be to keep the Americans and Europeans together, the aggressors out and the terrorists down'. 'A joint plan to help the greater Middle East', *International Herald Tribune*, 15 Mar. 2004, p. 6. Adverse reactions in Arab capitals led to a consequent revision and dilution of the plan.

<sup>92</sup> See Fiorenza, N., 'A greater NATO role in the Greater Middle East?', *NATO Notes*, vol. 6, no. 1 (ISIS Europe: Brussels, Feb. 2004), pp. 1–2. US Senator Chuck Hagel suggests 5 specific areas where NATO could play a larger role in establishing security and stability: Turkey, Afghanistan, Iraq, the Mediterranean and the Israeli–Palestinian problem. 'NATO's role in bringing security to the greater Middle East', US Foreign Policy Agenda, US State Department electronic journal, 10 June 2004, URL <<http://usinfo.state.gov/journals/itps/0604/ijpe/hagel.htm>>. On the greater Middle East see chapter 5 in this volume.

<sup>93</sup> NATO's Mediterranean Dialogue was launched in 1994. It involves Algeria, Egypt, Israel, Jordan, Mauritania, Morocco and Tunisia. Thus far, it has played a modest confidence-building role. For more on the process see Dokos, Th., Hellenic Foundation for European and Foreign Policy (ELIAMEP), *NATO's Mediterranean Dialogue: Prospects and Policy Recommendations*, ELIAMEP Policy Paper no. 3 (ELIAMEP: Athens, May 2003).

<sup>94</sup> For more on Russian motives see Socor, V., Jamestown Foundation, 'Russians not joining NATO Operation Active Endeavour', *Eurasia Monitor*, 30 Nov 2004, URL <[http://www.jamestown.org/edm/article.php?article\\_id=2368922](http://www.jamestown.org/edm/article.php?article_id=2368922)>.

<sup>95</sup> For membership of the Gulf Cooperation Council see the glossary in this volume.

ity, defence reform and measures to combat terrorism).<sup>96</sup> New operational engagements for NATO and any new multilateral framework for the region along EAPC lines were conspicuous by their absence.

#### IV. The EU: expanding the sphere of security and defence

The EU entered 2004 with an equivocal balance sheet in its European Security and Defence Policy (ESDP) and in the Common Foreign and Security Policy (CFSP) more broadly. It had made progress in building its strategic personality with the European Security Strategy (ESS) of December 2003, which was followed up actively in the four designated areas: (a) 'effective multilateralism' (with a special focus on partnership with the UN); (b) the Middle East; (c) Bosnia and Herzegovina (the handover of SFOR to the EU); and, especially after the 11 March 2004 Madrid bombings, (d) terrorism.<sup>97</sup> Iran's nuclear programme and the issue of arms sales to China have become critical tests for the EU of the effective application of 'soft power' and the EU's ability to advance its CFSP.<sup>98</sup>

EU–NATO cooperation and defence planning helped bring an end to haggling over independent EU military planning, while the EU's new European Defence Agency (EDA) will enhance armaments cooperation between EU member states. The EU successfully completed its own 'big bang' enlargement by admitting 10 new countries as members on 1 May 2004—Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia. Their admission raised fears that the new members might seek to tilt the policy balance in a pro-US direction, putting Europe's political cohesion and efficiency at risk again, but events in the latter half of the year did not bear out such predictions.

The EU carried on with its programme of projecting security and stability at its perimeter. At the end of the year, after an intense, emotive debate among its members and in the face of public disquiet in several EU countries, the EU agreed to open accession negotiations with Turkey in October 2005. Croatia was also offered the prospect of opening accession negotiations in March 2005, provided that it cooperates with the International Criminal Tribunal for the Former Yugoslavia. In December 2004, accession negotiations with Bulgaria and Romania were successfully concluded and both countries will join the EU in January 2007. Many EU diplomats and observers detected a certain 'enlargement fatigue' after all these breakthroughs, hinting that further admissions would be indefinitely postponed. This only added to the pressure for the EU to address its 'wider Europe' policy.

<sup>96</sup> NATO (note 64).

<sup>97</sup> For more on the 4 areas see Bailes, A. J. K., *The European Security Strategy: An Evolutionary History*, SIPRI Policy Paper no. 10 (SIPRI: Stockholm, Feb. 2005), URL <<http://editors.sipri.se/recpubs.html>>.

<sup>98</sup> For broader discussion of the 2 cases see chapters 12 and 10, respectively, in this volume.

The constitutional treaty was not adopted at the end of 2003 because of several sticking points unrelated to the ESDP and CFSP.<sup>99</sup> France and Germany began to hint once more at a ‘pioneer group’ aimed at closer integration. Germany’s Foreign Minister, Joschka Fischer, repudiated the idea of a core Europe in February 2004 and the Irish Presidency managed to rescue the constitutional treaty by June.<sup>100</sup> However, the European Parliament elections in June 2004 demonstrated a widespread disillusionment with EU politics among voters, who showed both apathy and a tendency to protest against their governments and, to some extent, against the EU in general.

### **The European Neighbourhood Policy**

In the run-up to the 2004 EU enlargement and the formation of the EU’s new external borders, the EU sought to establish a policy vis-à-vis its new neighbours that—in the words of the President of the European Commission, Romano Prodi—would leave them ‘sharing everything with the EU but institutions’.<sup>101</sup> Following the Commission Communication of March 2003, the resulting European Neighbourhood Policy (ENP) Strategy Paper of 12 May 2004 defined the objectives and principles, the geographic scope and the methods to be used in order to implement the policy.<sup>102</sup> The objective of the ENP is to draw countries into a closer relationship with the EU—a ‘ring of friends’ in accordance with the goals of the ESS—and to give them the chance to work with the EU on political, security and economic, as well as cultural and education, issues. The EU seeks to promote partners’ commitment to common values such as the rule of law, good governance, respect for human rights, the promotion of good neighbourly relations, the principles of the market economy and sustainable development.

As an initial step towards implementing the ENP, individual Action Plans with three- to five-year timeframes were offered by the EU initially to Israel, Jordan, Moldova, Morocco, Tunisia, Ukraine and the Palestinian Authority.<sup>103</sup> In mid-2004, the General Affairs and External Relations Council (GAERC)

<sup>99</sup> The text of the Treaty establishing a Constitution for Europe is at URL <[http://europa.eu.int/constitution/index\\_en.htm](http://europa.eu.int/constitution/index_en.htm)>.

<sup>100</sup> ‘Interview der *Berliner Zeitung* mit Bundesaußenminister Joschka Fischer: “Klein-europäische Vorstellungen funktionieren einfach nicht mehr” [German Foreign Minister Joschka Fischer interviewed in *Berliner Zeitung*: ‘narrow visions of Europe simply do not work any more’], *Berliner Zeitung*, 28 Feb. 2004. For other views on Europe’s future see ‘The future of the European Union: debate’, discussion corner, at the Internet site of the EU, URL <[http://europa.eu.int/futurum/congov\\_en.htm](http://europa.eu.int/futurum/congov_en.htm)>.

<sup>101</sup> ‘Wider Europe: a proximity policy as the key to stability: speech by Romano Prodi, President of the European Commission, “Peace, Security and Stability International Dialogue and the Role of the EU”’, Sixth ECSA-World Conference, Jean Monnet Project, Brussels, 5–6 Dec. 2002, Speech/02/619, URL <[http://europa.eu.int/comm/external\\_relations/news/prodi/sp02\\_619.htm](http://europa.eu.int/comm/external_relations/news/prodi/sp02_619.htm)>.

<sup>102</sup> ‘Wider Europe neighbourhood: a new framework for relations with our eastern and southern neighbours’, Communication from the Commission to the Council and the European Parliament, document COM(2003) 104 final, Brussels, 11 Mar. 2003, URL <[http://www.europa.eu.int/comm/world/enp/document\\_en.htm](http://www.europa.eu.int/comm/world/enp/document_en.htm)>; and European Neighbourhood Policy Strategy Paper, Communication from the Commission, document COM(2004) 373 final, Brussels, 12 May 2004, URL <[http://www.europa.eu.int/comm/world/enp/document\\_en.htm](http://www.europa.eu.int/comm/world/enp/document_en.htm)>.

<sup>103</sup> Belarus and all the Mediterranean countries, including Libya, can become beneficiaries of the ENP if they meet the necessary conditions.

decided to extend the ENP to the southern Caucasus to include Armenia, Azerbaijan and Georgia. Egypt and Lebanon are the next countries in line.<sup>104</sup> Israel signed its Action Plan on 14 December 2004. Moldova and Ukraine signed their Action Plans in February 2005.<sup>105</sup> It is expected that the three South Caucasus countries, together with Egypt and Lebanon, should sign their Action Plans by the end of 2005.

During the presidential election crisis in Ukraine in November–December 2004, Poland pushed for the renegotiation of Ukraine's ENP Action Plan in order to offer Ukraine a 'European perspective' and accord the country special status—if the re-run election was democratic and transparent. The Polish proposal was not agreed but EU member states asked CFSP High Representative Javier Solana and Commissioner for External Relations Benita Ferrero-Waldner to produce alternative mechanisms to improve the EU–Ukraine relationship.

### **The Treaty establishing a Constitution for Europe**

The Irish Presidency restarted talks on the Treaty establishing a Constitution for Europe six weeks after they broke down at the December 2003 Council of the European Union (Council) meeting in Brussels, but soon ran into obstacles. Some 20 major disputes remained,<sup>106</sup> the fiercest being over voting weights, but also including arguments about the size of the European Commission and British determination to retain national vetoes in key policy areas (tax, foreign and defence policy, social security and the EU budget). In early March, Germany signalled its willingness to achieve a compromise on voting rights. The two main proponents of the 'triple majority' voting system, Poland and Spain, also made conciliatory gestures, which enabled the Irish Presidency to restart treaty negotiations with the aim of a final deal by June.<sup>107</sup> When the British Government announced that it would hold a referendum on ratifying the constitution, this caused another clash—with France and Germany threat-

<sup>104</sup> 'Communication from the Commission to the Council on the Commission proposals for Action Plans under the European Neighbourhood Policy (ENP)', EU Commission document COM(2004) 795 final, Brussels, 9 Dec. 2004, URL <[http://www.europa.eu.int/comm/world/enp/document\\_en.htm](http://www.europa.eu.int/comm/world/enp/document_en.htm)>. Israel, Jordan, Moldova, Morocco, Tunisia, Ukraine and the Palestinian Authority were the first of the EU's neighbours to agree Action Plans, on 9 Dec. 2004

<sup>105</sup> 'The European Commission's Delegation to Ukraine, Moldova and Belarus: GAERC conclusions on Ukraine', The European Union in the world: delegations, URL <<http://www.delukr.cec.eu.int/site/page34190.html>>. The 'improved' Action Plan for Ukraine includes support for its bid to join the WTO, recognition as a market economy and extra funds.

<sup>106</sup> These included such issues as a reference to Christianity in the preamble, the Charter of Fundamental Rights, the rotating EU presidency, the European Parliament's co-decision with regard to the EU budget, the scope of EU integration versus national parliaments and the unanimity rule in EU trade policy covering services and foreign direct investment.

<sup>107</sup> Parker, G., Minder, R. and Dempsey, J., 'EU leaders signal fresh unity as summit ends', *Financial Times*, 27–28 Mar. 2004, p. 2. Spain's change of government in March 2004 led to a softening of its stance on voting weights. Poland reluctantly agreed to compromise for fear of being left isolated. As a result, under the new voting system, which will enter into force in 2009, a measure will pass if it is supported by 55% of member states, provided these states represent 65% of the total EU population. The compromise, however, is accompanied by 'safeguards' and blocking mechanisms, or higher thresholds, in some sensitive policy areas.

ening the UK with marginalization or even possible expulsion from the EU should it fail to ratify the constitution.<sup>108</sup> All this only fuelled the growing scepticism among the European public and the enthusiasm of opponents in the member states for holding a referendum elsewhere. More generally, the treaty remained a bone of contention between the Euro-sceptics striving to reduce it to a 'tidying-up exercise' and the Euro-philés pursuing a more ambitious project, as well as between those who consider the constitutional treaty too 'liberal' and those who see it as too 'socialist'.<sup>109</sup>

Nevertheless, under Irish leadership the member states managed to agree on 18 June 2004 to a text that constitutes a pragmatic compromise attempt to improve the efficiency and flexibility of the EU after its enlargement to 25 members. In the foreign affairs and security areas, the innovations with regard to an 'EU minister for foreign affairs', giving the EU a clearer political 'personality'; an EU 'external action service', composed of representatives of the Council and the Commission and seconded national diplomats; and a longer-term Presidency of the Council are potentially significant.<sup>110</sup> The text agreed in June did not introduce further changes in the ESDP dimension compared with the situation at the end of 2003.

The Treaty establishing a Constitution for Europe was signed by the EU leaders in Rome on 29 October 2004. Attention has since shifted to its uncertain prospects of surviving the coming ratification process, which involves at least 9 national referendums.<sup>111</sup>

### European security and defence

More than five years after the ESDP was launched, building the security and defence dimension of the EU is still at an early stage, with member states cautiously exploring common responsibilities adequate to the broad spectrum of their security needs. EU experience is limited and still vulnerable to political processes and circumstances both inside and outside the EU.

The shock of the 11 March 2004 bomb attack in Madrid led the EU to adopt a new Declaration on Combating Terrorism on 25 March, reiterating and polit-

<sup>108</sup> Parker, G., 'Paris and Berlin raise the stakes over failure to ratify constitution', *Financial Times*, 13 May 2004, p. 2. By the end of 2004 9 member states had announced their intention to hold referendums in their countries.

<sup>109</sup> 'The ultra-liberal socialist constitution', *The Economist*, 18–24 Sep. 2004, p. 42.

<sup>110</sup> Centre for European Reform (CER), 'The CER guide to the EU's constitutional treaty' CER, London, URL <<http://www.cer.org.uk/>>.

<sup>111</sup> According to the treaty, the deadline for ratification is 1 Nov. 2006. Hungary, Lithuania and Slovenia have already completed ratification through their parliaments and Spain held a successful referendum on 20 Feb. 2005. Referendums will be held in the Czech Republic, Denmark, France, Ireland, Luxembourg, the Netherlands, Poland, Portugal and the UK. For the latest position on the ratification process see URL <[http://europa.eu.int/constitution/referendum\\_en.htm](http://europa.eu.int/constitution/referendum_en.htm)>. British public opinion has thus far been the most steadfastly opposed to the constitutional treaty. Joining the other mainstream French political parties in early Dec. 2004, the French Socialist Party voted in favour of endorsing the constitutional treaty. A similar pro-European shift has been observed in the new member states. 'Now that they have tasted the EU's attractions, central Europeans are much less likely than once seemed possible to revolt against the draft EU constitution'. 'Reaping the European Union harvest', *The Economist*, 8–14 Jan. 2005, p. 29.

ically reinforcing existing commitments and also introducing a new mutual pledge of 'solidarity' in the event of terrorist attacks, a pledge which was originally contained in the constitutional treaty.<sup>112</sup> The position of an EU counter-terrorism coordinator was established. In December the Council further updated the EU Plan of Action to Combat Terrorism agreed in June 2004.<sup>113</sup>

After two successful ESDP military crisis management operations, and the launching of police missions in Bosnia and Herzegovina and the FYROM, the EU started its largest military mission in Bosnia and Herzegovina in December 2004 following the NATO SFOR.<sup>114</sup> The EU-led Operation ALTHEA aims to deter hostilities and to support the peace-building process and existing EU civilian activities.<sup>115</sup> It is supported by NATO assets and advice under the 'Berlin Plus' arrangements.<sup>116</sup> Its main operational task, and challenge, is to strongly link the military and civilian components of the EU's activities in the field. In the civilian field, the EU launched the Rule of Law Mission EUJUST-THEMIS in Georgia on 16 July 2004 and planned to launch a police mission in Kinshasa, Democratic Republic of the Congo, in early 2005.<sup>117</sup>

With regard to EU–NATO cooperation, conceptual work on the EU's civilian–military planning cell and possible elements of the NATO liaison team at the EU Military Staff, as agreed at the end of 2003, was not completed in 2004. The problem of bridging the gap between the civilian and military dimensions of the ESDP persists, making it difficult to achieve an integrated and comprehensive approach to planning and implementing EU interventions.<sup>118</sup>

Following the endorsement in June 2004 of an Action Plan for the Civilian Aspects of the ESDP, the establishment of appropriate operational planning and mission-support capabilities in the Council Secretariat was urged to give the EU the ability to plan and conduct several civilian crisis management mis-

<sup>112</sup> Council of the European Union, 'European Council Conclusions: Declaration on Combating Terrorism', European Council, Brussels, 25 Mar. 2004 URL <[http://ue.eu.int/cms3\\_fo/showPage.asp?id=632&lang=EN&mode=g](http://ue.eu.int/cms3_fo/showPage.asp?id=632&lang=EN&mode=g)>. The solidarity clause is contained in Article I.43 of the constitutional treaty (amplified by Article III.329).

<sup>113</sup> Council of the European Union, 'EU Plan of Action to Combat Terrorism: Update', Brussels, 14 Dec 2004. For a review of achievements in 2004 and prospects for 2005 see Council of the European Union, 'Brief Note on counter-terrorism', Brussels, 16 Dec. 2004. Both documents are available at URL <[http://ue.eu.int/cms3\\_fo/showPage.asp?id=631&lang=EN&mode=g](http://ue.eu.int/cms3_fo/showPage.asp?id=631&lang=EN&mode=g)>.

<sup>114</sup> The military crisis management operations were Concordia in the Former Yugoslav Republic of Macedonia and Artemis in the Democratic Republic of the Congo, both of which ended in 2003.

<sup>115</sup> Council of the European Union, Council Decision on the launching of the European Union military operation in Bosnia and Herzegovina, document 1402/04, Brussels, 23 Nov. 2004.

<sup>116</sup> While the EU has taken over responsibility for peacekeeping operations, NATO maintains a headquarters in Sarajevo to assist Bosnia and Herzegovina with defence reform. It also carries out some operational tasks in coordination with the EU, including counter-terrorism and assistance with apprehending persons indicted for war crimes.

<sup>117</sup> Other EU non-military operations include the police missions in Bosnia and Herzegovina (EUPM) and the Former Yugoslav Republic of Macedonia (EUPOL Proxima)

<sup>118</sup> Centre for the Study of Global Governance, *A Human Security Doctrine for Europe: The Barcelona Report of the Study Group on Europe's Security Capabilities*, Presented to EU High Representative for Common Foreign and Security Policy Javier Solana, Barcelona, 15 Sep 2004 (Centre for the Study of Global Governance: London School of Economics, 2004), URL <<http://www.lse.ac.uk/Depts/global/StudyGroup/StudyGroup.htm>>.

sions at once. A Civilian Capabilities Commitment Conference and a Military Capabilities Commitment Conference were held in November 2004 with the aim of identifying capabilities in the 10 new member states. The EU plans to develop a 2008 Civilian Headline Goal allowing it to further define and build its civilian capabilities. An important initiative was taken by five EU states to establish a European Gendarmerie Force with paramilitary capabilities suitable for more demanding scenarios and able to deploy rapidly to maintain public security and public order.<sup>119</sup>

### *Military capabilities*

The EU continues to face the basic challenge of overcoming national particularities and policy differences in order to achieve more effective and more substantial defence expenditure, to remedy capability shortfalls and to develop armaments cooperation. In implementing the military aspects of the 2003 ESS, the EU focused in 2004 on three major issues: the Headline Goal 2010, the EDA and EU battle groups. The last two innovations were developed in the draft constitutional treaty but are being put into effect before treaty ratification.

The Headline Goal 2010, adopted on 14 June 2004, provides for a ‘qualitative’ strengthening of crisis management and defence capabilities through interoperability, including civilian and civil–military aspects, deployability and sustainability to enable EU member states by 2010 to respond with ‘rapid and decisive action’ across the expanded spectrum of crisis management operations—the Petersberg tasks,<sup>120</sup> as well as ‘joint disarmament operations’, support for third countries in combating terrorism and security sector reform—as envisaged by the ESS.<sup>121</sup> To evaluate progress, the Headline Goal sets ‘milestones’ and standards for the period up to 2010 that will require changes and adaptations in various fields of the 2001 European Capability Action Plan and the EDA. However, the Headline Goal 2010 does not mark a breakthrough in delivering capabilities and still fails to clarify some of the outstanding ambiguities of its predecessor, the 1999 Helsinki Headline Goal.<sup>122</sup>

The *European Defence Agency* was formally set up in July 2004 with the aim of improving European defence capabilities, encouraging and bringing about more efficient management of multinational arms cooperation, developing and integrating Europe’s defence markets, and coordinating R&D. The agency will not purchase equipment or manage procurement programmes. Instead, it is intended to act as both a ‘conscience’ and a ‘catalyst’ for resolv-

<sup>119</sup> Ministerial Declaration, Civilian Capability Commitment Conference, Brussels, 22 Nov. 2004. An embryonic capability for these purposes was established at the end of 2004. The European Gendarmerie Force comprises units from France, Italy, the Netherlands, Portugal and Spain.

<sup>120</sup> The Petersberg tasks were agreed in 1992 to strengthen the operational role of the WEU. They were later incorporated in the 1997 Treaty of Amsterdam. They include humanitarian intervention and evacuation operations, peacekeeping and crisis management—including peace making.

<sup>121</sup> Council of the European Union, Headline Goal 2010, ESDP Presidency Conclusions, document 10547/04, Annex 1, Brussels, 15 June 2004.

<sup>122</sup> Quille, G., ‘Implementing the defence aspects of the European Security Strategy: the Headline Goal 2010’, *European Security Review* no. 23 (July 2004), pp. 5–7.

ing capability shortfall problems.<sup>123</sup> Its establishment was marked by controversies about such issues as the purpose of the EDA, its relation to other stakeholders such as the Organization for Joint Armament Cooperation (Organisation Conjoint de Cooperation en matiere d'Armement, OCCAR), how to spend its €20 million budget and how far to intervene in the procurement strategies of member states. The British and French visions of the EDA's long-term role clash. France tends to see the EDA as an engine to create a European defence manufacturing base, supported by more spending on R&D and a stronger 'buy European' culture. The UK puts more stress on more modest projects geared directly to improving operational capabilities. Another challenge is the extent to which the leading industrial countries will be willing to share advanced and classified technologies with other members. The EDA is to become fully operational in 2005.<sup>124</sup>

The concept of *battle groups*, as part of the EU's rapid response capacity, took shape in 2003–2004. These are not meant to replace the 60 000-strong European Rapid Reaction Force based on the 1999 Headline Goal, but the latter nonetheless seems to have been quietly shelved. The new units demonstrate a major reassessment of the demands of the new threats and crisis situations, and a more realistic effort to improve EU military capabilities.<sup>125</sup> The smaller, highly mobile and flexible battle groups will be employable across the full range of the Petersberg tasks and those identified in the ESS, especially in 'tasks of combat forces in crisis management' (i.e., the high end of the scale).<sup>126</sup> Their missions would be 'appropriate for, but not limited to, use in failed or failing states'.<sup>127</sup> France and the UK, which jointly initiated the idea of battle groups, see them as a forerunner to the 'structured cooperation' in defence matters foreseen in the constitutional treaty.<sup>128</sup> In contrast to the

<sup>123</sup> EU Military Capability Commitment Conference, Declaration on European Military Capabilities, Brussels, 22 Nov. 2004.

<sup>124</sup> For more on the EDA, including its work programme for 2005, see 'Agency in the field of defence capabilities development, research, acquisition and armaments', URL <[http://ue.eu.int/cms3\\_fo/showPage.asp?id=277&lang=EN&mode=g](http://ue.eu.int/cms3_fo/showPage.asp?id=277&lang=EN&mode=g)>.

<sup>125</sup> Despite being declared 'operational' in 2003, the European Rapid Reaction Force is still plagued by a lack of capabilities regarding strategic airlift, communications and logistics. The 1500-strong battle groups are to be capable of being deployed within 5 days, sustainable for 30 days (extendable to 120 days), and may operate under a UN mandate. For the period 2005–2007 (when it will achieve initial operational capability) the EU is to be able to undertake at least 1 battle group-sized rapid response operation. In its full operational capability period from 2007, the EU is to be able to carry out 2 concurrent single battle group-sized rapid response operations. By Nov. 2004, member states had agreed to commit forces to 13 battle groups. EU Military Capability Commitment Conference (note 123).

<sup>126</sup> The critical issue remains long-range transport. In 2003 the EU adopted the 'Global approach on deployability' to improve strategic transport in support of EU-led operations, and battle groups in particular.

<sup>127</sup> Dempsey, J. and Blitz, J., 'France and Britain to create joint battle groups', *Financial Times*, 10 Feb. 2004, p. 1.

<sup>128</sup> Articles I-41(6) and III-312 of the constitutional treaty envisage the establishment of *permanent structured cooperation* for the EU members 'whose military capabilities fulfil higher criteria and which have made more binding commitments to one another with a view to the most demanding tasks' under the protocol on permanent structured cooperation. The criteria, linked to the concept of battle groups, the EDA and the Headline Goal 2010, involve high operational readiness, participation in the development of major joint or European equipment programmes and increased cooperation to meet agreed objectives concerning 'the level of investment expenditure on defence equipment'. For detailed analysis see Missi-



initial concept set out by the two countries, multinationality was later accepted as desirable in order to allow involvement by smaller nations with niche capabilities such as medical assistance or water purification. Member states also agreed that the battle groups would be ‘complementary and mutually reinforcing’ or compatible with the NATO Response Force.

## V. The CIS countries: peaceful revolutions and stability

Until 2003, the 12 former Soviet states that make up the membership of the CIS shared a common history.<sup>129</sup> People there continued to live under different degrees of authoritarian rule, or at best in very inchoate democracies, more than a decade after the break-up of the Soviet Union. The year 2004 brought the most significant break to date in this pattern, with the peaceful revolutions in Georgia and Ukraine demonstrating that democratization, or at least the desire for it, had gained ground within the former Soviet area. The systemic divide was widened by the fact that, in both countries, the revolutions were linked with elections and reflected the disenchantment of a large part of the population with electoral fraud. The ‘post-Soviet’ political *uravnilovka* (‘levelling’) of the area has thus come to an end. In 2004 developments in another post-Soviet state, communist-governed Moldova, indicated a growing impatience with Russia’s continued support for secessionists in the Trans-Dniester region and a reorientation to the West. A new dividing line is now superimposed on the old divides that were based on the distance from the central actor of the region, Russia, and the presence or absence of unresolved conflicts, which invariably involved Russia to some degree. The new line not only separates leaders pursuing democratic experiments from those who are not, but also those who have no personal political roots in the Soviet Union from those who have.<sup>130</sup> The old and new dividing lines are not identical, and the new one between incipient democratic and authoritarian regimes is arguably becoming the more significant.

Nothing better illustrates the widespread constraints on democracy in the CIS countries than the fact that thus far no election has been held in the region that could be assessed by the international community as free and fair. The elections assessed least critically were those that legalized change brought about by popular revolution—the Georgian extraordinary presidential elections of 4 January 2004 and the rerun of the second round of the Ukrainian presidential elections on 26 December 2004.<sup>131</sup> In contrast, a referendum in

roli, A., ‘Mind the steps: the constitutional treaty and beyond’, Gnesotto, N. (ed), *EU Security and Defence Policy: the First Five Years, 1999–2004* (EU Institute for Security Studies: Paris, 2004), pp. 149–153.

<sup>129</sup> For the members of the CIS see the glossary in this volume.

<sup>130</sup> President of Belarus Aleksandr Lukashenko played no political role in the Soviet times but is not among those who pursue a democratic path for his country. The same points apply to President of Azerbaijan Ilham Aliyev and, until his resignation in early 2005, President of Kyrgyzstan Askar Akayev.

<sup>131</sup> ‘In contrast to the 2 November 2003 parliamentary elections that were characterized by systematic and widespread fraud, the authorities generally displayed the collective political will to conduct a more genuine democratic election process’. OSCE, Office for Democratic Institutions and Human Rights

Belarus and parliamentary elections in Uzbekistan were met with a more critical international response.<sup>132</sup>

## Russia

The Russian Federation continued to face similar security challenges in 2004 to those of previous years, the most direct being what it regards as terrorist activity on its own territory. Such activity is not confined to Chechnya but has spread increasingly to the provinces bordering Chechnya, as well as to Moscow itself. The reaction of the Russian Government to terrorism as an aspect of the conflict in Chechnya is complex. Russia has been largely unsuccessful in solving the underlying conflict but also lacks a clear concept of what a 'solution' could entail.<sup>133</sup> In practice, the Russian authorities seem satisfied when there are no extensive hostilities between Russian military forces and insurgents. To marginalize the importance of the unresolved issues, the Russian authorities claim that Chechen-related violence has Islamic fundamentalism as its root cause rather than representing a regional insurgency. This approach also allows Moscow to portray the Chechen conflict as part of the global fight against terrorism. In order to reduce public dissatisfaction in the rest of the country, Russia has stopped sending conscripts to Chechnya. It has completed the transition of the 42nd Motorized Rifle Division to a contract service,<sup>134</sup> and the conscripts serving with Ministry of Interior troops will also be phased out by the end of 2005.<sup>135</sup> Certain terrorism-related events have meanwhile helped to spur a new wave of Russian administrative reform, including the more direct subordination of regional governors to the central

(ODIHR), Georgia: Extraordinary Presidential Election, 4 Jan. 2004, OSCE/ODIHR Election Observation Mission Report, p. 1, URL <[http://www.osce.org/documents/html/pdfhtml/2183\\_en.pdf.html](http://www.osce.org/documents/html/pdfhtml/2183_en.pdf.html)>. According to the Election Observation Mission, 'The conduct of the 26 December election process brought Ukraine substantially closer to meeting OSCE election commitments and Council of Europe and other European standards. . . . Campaign conditions were markedly more equal in contrast to previous polls.' International Election Observation Mission, Presidential Election (Repeated second round), Ukraine, 26 Dec. 2004, Statement of preliminary findings and conclusions, p. 1, URL <[http://www.osce.org/documents/html/pdfhtml/4007\\_en.pdf.html](http://www.osce.org/documents/html/pdfhtml/4007_en.pdf.html)>.

<sup>132</sup> In the case of Belarus, the Election Observation Mission declined to assess the referendum that lifted the constitutional limitation on a president serving more than two terms. OSCE, Office for Democratic Institutions and Human Rights (ODIHR), Republic of Belarus, Parliamentary Elections, 17 Oct. 2004, OSCE/ODIHR Election Observation Mission, Final Report, ODIHR.GAL/100/04, 9 Dec. 2004, p. 1. URL <[http://www.osce.org/documents/html/pdfhtml/3951\\_en.pdf.html](http://www.osce.org/documents/html/pdfhtml/3951_en.pdf.html)>. Parliamentary elections were held in Uzbekistan on 26 Dec. 2004, the same day as the repeated second round of the Ukrainian Presidential Elections. Fewer than 30 observers were able to monitor them. OSCE, ODIHR, Republic of Uzbekistan Parliamentary Elections, 26 December 2004, OSCE/ODIHR Limited Election Observation Mission report, URL, <[http://www.osce.org/documents/html/pdfhtml/4355\\_en.pdf.html](http://www.osce.org/documents/html/pdfhtml/4355_en.pdf.html)>; and Lewis, D. and Stroehlein, A., 'The inevitability of change in Uzbekistan', *Financial Times*, 21 Dec. 2004 p. 15.

<sup>133</sup> See chapter 2 in this volume. Attempts by Russia to 'insulate' the conflict are a source of its intractability.

<sup>134</sup> Ivanov, S. B., 'Security in the Middle East', Speech at the 41st Munich Conference on Security Policy, 12 Feb. 2005, URL <[http://www.securityconference.de/konferenzen/rede.php?menu\\_2005=&menu\\_konferenzen&jahr=2005&sprache=en&](http://www.securityconference.de/konferenzen/rede.php?menu_2005=&menu_konferenzen&jahr=2005&sprache=en&)>.

<sup>135</sup> See The Kremlin, Press conference by President Vladimir Putin, Moscow, 23 Dec. 2004, p. 9. URL <[http://www.ln.mid.ru/brp\\_4.nsf/e78a48070f128a7b43256999005bcbb3/4fb0f1f9c0d53683c3256f740024dec4?OpenDocument](http://www.ln.mid.ru/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/4fb0f1f9c0d53683c3256f740024dec4?OpenDocument)>.

authorities—developments that many outside observers regard, with some concern, as part of an ongoing centralization process.

Russia also perceives security challenges in a number of political developments in its immediate and wider neighbourhood, including the changes of political course in Georgia and Ukraine and a possible further enlargement of NATO. Its comments on these issues in 2004 took on an increasingly sharp tone, reminiscent of complaints in the early 1990s about European developments being ‘directed against’ or ‘excluding’ Russia.<sup>136</sup> Although Russia’s tone on the EU and its enlargement has remained relatively soft, the implied return to a more zero-sum view of Russian and Western interests has sharpened the policy dilemma facing the EU in particular. Russia is an important source of energy and a key player both in the neighbourhood stabilization and the ‘effective multilateralism’ strategies now espoused by the EU. However, it manifestly does not meet EU standards on internal democracy, a fully functioning market economy or responsible external behaviour. At the same time, some EU members’ particular awareness of the tactical and strategic advantages of partnership with Russia has led to a certain toning down of the critical elements of previously agreed EU positions, most notably on Chechnya. The dilemma for the EU is aggravated not only by a more confrontational Russian approach but also by shifts in the pattern of economic power and leverage. Although more than half its exports are directed to the enlarged EU, Russia is no longer financially dependent on EU cooperation. High oil prices have built up Russia’s gold and currency reserves to a level exceeding the size of its state foreign debt and approaching \$120 billion. Russia had a record trade surplus of \$80 billion in 2004.<sup>137</sup> As a German analyst put it, ‘Russia needs neither the USA nor the EU’.<sup>138</sup> There may be a difference, however, between needing something to survive and needing it in order to progress and maintain comparative advantages in the longer run.<sup>139</sup> Despite high oil prices on the world market, economic growth in Russia slowed in 2004 to approximately 5.5 per cent.<sup>140</sup>

Overall, the Russian Government believes that the Euro-Atlantic environment is changing increasingly to its disadvantage. It is concerned that the main Western institutions, NATO and the EU, are increasingly ‘on the offensive’, unifying the continent around norms, values and often policies about which the Russian Government is hesitant at best. Rather than challenging values and norms, it questions the policies. This is, understandably, more pronounced in

<sup>136</sup> Russia has made several complaints to this effect. It is sufficient to mention its comments concerning the ‘anti-Russian’ behaviour of Finland in late-2004 and the criticism addressed to Polish President Kwasniewski concerning his comment about ‘A Russia without Ukraine is better than a Russia with Ukraine’. The Kremlin (note 135). See also appendix 1A.

<sup>137</sup> The Kremlin (note 135).

<sup>138</sup> Rahr, A., ‘Zapad predpochitaet derzhat’ Moskvu na rasstoyanii’ [The West prefers to keep Russia at a distance], *Nezavisimaya gazeta*, 1 Mar. 2004, URL <<http://www.ng.ru/printed/courier/2004-03-01/9west.html>>.

<sup>139</sup> A number of failures have demonstrated this ranging from the failed EU-Russian summit on Ukraine and the failure of the 2 to agree on a common security area.

<sup>140</sup> ‘GDP growth slows down to 5.5% in 2004’, News from Russia, Pravda Online, 24 Feb. 2004, URL <<http://newsfromrussia.com/main/2004/02/24/52455.html>>.

the case of NATO, its 'partner adversary',<sup>141</sup> than the EU—although the debates about the four EU–Russian 'common spaces' have also demonstrated increasing Russian misgivings about the EU as another force for Western-style European 'unification'.<sup>142</sup>

Domestic political processes caused increasing concern in 2004 about Russia's record on human rights, curtailment of the freedom of the media, further centralization of state institutions and the subordination of those institutions to the executive branch. It is a reflection of the seriousness of these concerns as felt in the West that a prestigious non-governmental organization (NGO) downgraded Russia to 'not free', from its earlier 'partly free' status.<sup>143</sup> Poor Russian performance in these areas highlights its differences from the states in a process of democratic change referred to above, and risks encouraging those other regimes that share similar authoritarian goals and sometimes pursue them far more aggressively and brutally than Russia.

## Georgia

Georgia completed the first phase of its transition between its 'rose revolution' of November 2003 and the presidential elections of January 2004, but the new administration, under the leadership of President Mikhail Saakashvili, still faces enormous tasks, including the reform of governance, security and the economy. It can at least count on increased external support and assistance, with the USA—both government organizations and NGOs—in the lead. The EU included the three states of the South Caucasus region for the first time as full and equal partners in its new neighbourhood policy in June 2004 and launched a new type of ESDP 'mission' in the form of the EUJUST-THEMIS team mandated to help build law and justice systems in Georgia.<sup>144</sup>

The new leadership of Georgia put territorial integrity at the forefront of its strategy: 'we must and will restore Georgia's full territorial integrity using peaceful means'.<sup>145</sup> The goal was understandable given the seriousness of the 'frozen' conflicts in Abkhazia and South Ossetia, which have effectively blocked central control of these territories for 15 years and 13 years, respectively, and have been factors for instability in Georgian–Russian relations and

<sup>141</sup> For a semi-official view see Kelin, A., *Rossiia–NATO: K novomu etapu sotrudnichestva?* [Russia–NATO: towards a new phase of cooperation?], *Mezhdunarodnaya zhizn'* no. 11/12 (2004), pp. 79–90.

<sup>142</sup> The 4 common spaces are economic co-operation; freedom, security and justice; external security; and research, education and culture. See URL <[http://www.europa.eu.int/comm/external\\_relations/russia/intro/ip05\\_216.htm](http://www.europa.eu.int/comm/external_relations/russia/intro/ip05_216.htm)>.

<sup>143</sup> Freedom House, 'Russia downgraded to "not free"', Press Release, New York, 20 Dec. 2004, URL <<http://www.freedomhouse.org/media/pressrel/122004.htm>>.

<sup>144</sup> Council of the European Union, Joint Action 2004/523/CFSP, 28 June 2004. The European Union Mission in Georgia: EUJUST-THEMIS, *Official Journal of the European Union*, L 228 (28 June 2004), URL <[http://europa.eu.int/eur-lex/pri/en/oj/dat/2004/l\\_228/l\\_22820040629en00210024.pdf](http://europa.eu.int/eur-lex/pri/en/oj/dat/2004/l_228/l_22820040629en00210024.pdf)>.

<sup>145</sup> Council on Foreign Relations, Transcript of the Russell Leffingwell Lecture, Mikhail Saakashvili, President, Republic of Georgia, New York, 26 Feb. 2004, p. 6, URL <[http://www.cfr.org/pub6815/david\\_remnick\\_mikhail\\_saakashvili/the\\_russell\\_c\\_leffingwell\\_lecture\\_with\\_mikhail\\_saakashvili\\_php](http://www.cfr.org/pub6815/david_remnick_mikhail_saakashvili/the_russell_c_leffingwell_lecture_with_mikhail_saakashvili_php)>.

for regional security generally.<sup>146</sup> It was also a calculated gamble to exploit the worldwide attention and sympathy, and the hopes of mustering a stronger domestic consensus, generated by the arrival of the Saakashvili regime. The Georgian leadership took a prudently graduated approach, starting with the more recent breakaway attempt by the province of Adzharia. Despite some signs of Russian interference, the first test was successful and Adzharia was firmly reintegrated into Georgia. A simple repetition of the model could not be expected to solve the different and much tougher cases of Abkhazia and South Ossetia—both adjacent to, and de facto controlled by, Russia—although the formula used in Adzharia of guaranteeing ‘the highest possible degree of autonomy’ is certainly relevant.<sup>147</sup> In the event, the first attempt by the Georgian authorities to solve the South Ossetia conflict by a similar combination of the threat of force and innovative use of diplomacy broke down, and the *status quo ante* had to be restored. A new ceasefire was agreed in November 2004, which still holds as of March 2005. The road to complete control by Georgia of its own territory is clearly a long one, and this fact must also complicate the execution of other governance- and security-related reforms in the country.

## Ukraine

Ukraine’s size and location have made it a state of strategic importance for Europe since it achieved independence. It has often been seen as a bridge between an enlarging community of European states and the CIS, primarily Russia. However, these visions did not lead to any particularly intensive engagement of Ukraine in European processes and institutions before 2004, partly because of the mismatch between the country’s potential role and its internal conditions, and partly because of Ukrainian President Leonid Kuchma’s convoluted strategy of trimming between Western aspirations and Eastern commitments. Domestic stability prevailed in Ukraine at the cost of certain authoritarian tendencies, regular violations of the rule of law,<sup>148</sup> regular violations of human rights,<sup>149</sup> high levels of corruption and slow economic development.<sup>150</sup> In 1999, the EU’s leaders had identified Ukraine as ‘a source

<sup>146</sup> For Russia’s role in both conflicts see Lynch, D., *Engaging Eurasia’s Separatist States: Unresolved Conflicts and De Facto States* (United States Institute of Peace: Washington, DC, 2004).

<sup>147</sup> International Crisis Group (ICG), *Saakashvili’s Ajara success: Repeatable Elsewhere in Georgia?*, ICG Europe Briefing, no. 34 (ICG: Tbilisi/Brussels, 18 Aug. 2004), URL <<http://www.icg.org/home/index.cfm?id=2907&f=1>>.

<sup>148</sup> The OSCE International Election Observation Mission in its report on the Presidential Election of 31 Oct. 2004 noted that the election ‘did not meet a considerable number of OSCE, Council of Europe and other European standards for democratic elections’. International Election Observation Mission, Presidential Election, Ukraine 31 Oct. 2004, Statement of preliminary findings and conclusions, p. 1, URL <[http://www.osce.org/documents/html/pdf/html/3771\\_en.pdf.html](http://www.osce.org/documents/html/pdf/html/3771_en.pdf.html)>.

<sup>149</sup> The Parliamentary Assembly of the Council of Europe has regularly criticized the human rights situation, with an emphasis on violations of the freedom of the press.

<sup>150</sup> The Transparency International Corruption Perception Index ranked Ukraine 122nd among 145 countries observed. This places Ukraine in the mid-range of CIS countries, with 5 ranked higher, 4 lower and 2 (Kazakhstan and Kyrgyzstan) at the same level. Transparency International, Corruption Perception Index 2004, URL <<http://www.transparency.org/cpi/2004/cpi2004.en.html#cpi2004>>.

of regional stability, despite its domestic difficulties and diversities'.<sup>151</sup> By 2002, the EU's CFSP High Representative was driven to remark that 'Ukraine is not playing by the rules but playing with the rules. We would like one day to embrace your country, but we have to know what kind of country you are'.<sup>152</sup> Awareness of the gap between the nation's potential and actual standing also had its consequences within Ukraine, including political apathy and disillusionment.

In 2004 it was made known that President Kuchma was not standing for re-election. In the run-up to the election for his successor, Kuchma made several moves that indicated his willingness to pay a heavy price in foreign policy terms in order to obtain Russian consent to a smooth handover of power to a successor nominated by him. Pro-Western Defence Minister Yevgeniy Marchuk was dismissed and the strategic goal of gaining full membership of the EU and NATO was removed from Ukraine's new defence doctrine, to be replaced by language on 'Euro-Atlantic integration'.

Since its independence, Ukraine has been a state with strong presidential powers—'a presidential republic'.<sup>153</sup> The prospect of top-down change thus attracted growing attention not just from Ukraine's own people but in the world at large. The first two rounds of the presidential election held in October and November 2004 were widely regarded as fraudulent and were followed by mass demonstrations in the Ukrainian capital city, Kyiv. Following appeals by the losing candidate and the involvement of several figures from abroad,<sup>154</sup> Ukraine's Supreme Court on 3 December instructed the Central Election Committee to organize a re-run of the second round. This took place, under strengthened international monitoring, on 26 December 2004 and ended with the victory of the opposition candidate, Viktor Yushchenko. Both in the November round, when Viktor Yanukovich was declared the winner, and in Yushchenko's victory on 26 December, the vote was closely balanced and divided along regional lines. Eastern and south-eastern Ukraine, where many of the population are Russian-speaking, voted for Yanukovich—echoing the clear support given to him by President Putin. Western Ukraine and the north of the country voted overwhelmingly for the Western-oriented Yushchenko. Although fears expressed in the heat of the crisis about the imminent break-up of Ukraine were not realized, these results underline that the creation of a new unity within the country is an urgent task for the new president.

<sup>151</sup> Council of the European Union, 'European Council Conclusions: Declaration on the Common Strategy on Ukraine', European Council document 99/259, Helsinki, 11 Dec. 1999.

<sup>152</sup> Interfax, 16 Oct. 2002. Quoted in Kuzio, T., *EU and Ukraine: a Turning Point in 2004?*, European Union Institute for Security Studies (EU ISS) Occasional Papers, no. 47 (EU ISS: Paris, Nov. 2003), p. 11.

<sup>153</sup> International Election Observation Mission (note 148), p. 3.

<sup>154</sup> EU High Representative for the CFSP Javier Solana, President of Poland Aleksandr Kwasniewski and President of Lithuania Valdas Adamkus played particularly active roles. In contrast with the 'rose revolution' in Georgia in 2003, it was the EU that took a leading role in influencing events outside Ukraine.

Western and pro-Western leaders have welcomed the change in Ukraine.<sup>155</sup> Having sided with Yanukovich in the election campaign, Russia initially tried to belittle the importance of the change and to play down its own role in opposing it. However, observers in Russia and abroad have underlined the seriousness of President Putin's motives for trying to ensure Yanukovich's installation and the consequences for Russia of his failure. According to one commentator, Putin 'tried to show the West that Russia still has all the instruments to defend its legitimate sphere of influence'.<sup>156</sup> In the event, the outcome could be seen not only 'as an anti-constitutional turnover but also as a large-scale geopolitical special operation of revolutionary regime change in a CIS country allied with Russia. It can be seen as the most serious crisis in Russia's relations with the west in recent years'.<sup>157</sup> Western sources have largely refrained from triumphalist interpretations and have focused instead on the pro-democracy aspects of the change and Ukraine's continuing challenges. A certain note of caution has also been dictated by uncertainty about how much the Western institutions can actually offer 'the new Ukraine' and how quickly. However, at least one line of analysis interprets events in Ukraine as part of a wider pattern.

The operation—engineering democracy through the ballot box and civil disobedience—is now so slick that the methods have matured into a template for winning other people's elections . . . the campaign is an American creation, a sophisticated and brilliantly conceived exercise in Western branding and mass marketing that, in four countries in four years, has been used to try to salvage rigged elections and top-ple unsavoury regimes.<sup>158</sup>

While Ukraine is by no means immune from future instability and potential violence, there are some positive lessons to be drawn from the transformation. It is important to note that the authorities in Ukraine refused to use force against the demonstrators and also resisted the use of force by others.<sup>159</sup> Other actors, including the Russian leadership, reacted pragmatically and the Russian Government has—at least for the time being—shown a willingness to establish working relations with the newly elected Ukrainian President.<sup>160</sup> In

<sup>155</sup> Solana, J., 'Yushchenko offers a new opportunity for the EU', *International Herald Tribune*, 6 Jan. 2005, p. 6; and Saakashvili, M., 'Europe's third wave of liberation', *Financial Times*, 20 Dec. 2004, p. 15.

<sup>156</sup> Peel, Q., 'Putin is a victim of his own errors', *Financial Times*, 16 Dec. 2004, p. 17.

<sup>157</sup> Nikonov, V., 'Strategiya Putina' [Putin's strategy], *Rossiyskaya gazeta*, 22 Dec. 2004, URL <<http://www.rg.ru/2004/12/22/putin-strategia.html>>.

<sup>158</sup> Traynor, I., 'US campaign behind the turmoil in Kiev', *The Guardian*, 26 Nov. 2004, URL <<http://www.guardian.co.uk/international/story/0,1360080,00.html>>. The article mentions Belarus, the former Yugoslavia, Georgia and Ukraine as other countries where such attempts have been made, successfully in 3 out of 4 cases.

<sup>159</sup> 'This is Kuchma's one big positive contribution'. Wagstyl, S., Freeland, C. and Warner, T., 'Ukraine president spurned Yanukovich pressure to use troops to quell protesters', *Financial Times*, 14 Dec. 2004, p. 2.

<sup>160</sup> The Ukrainian President visited Moscow immediately after his inauguration and then visited a number of European institutions.

the first major act of post-election Ukrainian politics the losing party contributed to a demonstration of national unity.<sup>161</sup>

Ukraine has meanwhile begun a major realignment of its political relations. The role played by EU member states and other EU representatives in seeking a peaceful resolution to the weeks of crisis inevitably brought the question of Ukraine's relations with the EU, which thus far have failed to satisfy Kyiv's aspirations, to the forefront. At the same time, Yushchenko has shown a realistic understanding that Ukraine's road to full EU membership, even following the 'orange revolution', will be long. A serious investigation by the Kyiv authorities into what reaching EU standards and norms would actually entail is bound to have a sobering effect. However, the EU, not least because of its new members' views, will find it much harder to ignore Ukraine or to judge relations with Ukraine only through their effect on EU relations with Moscow. Yushchenko has comparatively played down the importance and urgency of changing Ukraine's relationship with NATO.

In December 2004, when the pre-election Ukrainian establishment realized that power might shift to the new forces supporting Yushchenko, constitutional changes were proposed to weaken presidential power and increase the role of parliament and the government. Whatever their motives, these changes will have a lasting effect in reducing the danger of an over-concentration of power in the hands of the president. Experience suggests that such balanced parliamentary democracies carry less risk of becoming authoritarian. This could thus prove to be one of the more important and lasting consequences of the 'orange revolution', as well as an example for other CIS countries.

The latter have, naturally, followed the changes taking place in Ukraine with great interest. Most authoritarian leaders in the CIS have been concerned that similar processes may take place in their countries. In some cases, foreign NGOs have been the target of 'preventive measures' and had to close their offices. In other cases, opposition parties have been banned on the grounds of 'political extremism'.<sup>162</sup> It remains to be seen whether these measures will stave off political change or sharpen the internal and external tensions that will eventually precipitate it—a question that may also apply to Russia.

## VI. Conclusions

In recent years, the Euro-Atlantic security agenda has been dominated by splits between states in the western part of the Euro-Atlantic area. Although the problems that have heightened these tensions since September 2001 have not been resolved, some major underlying trends are now bringing about cooperation between the players. The USA and the EU may differ on the urgency of seeking political changes in select parts of the world and on the admissible means, with the USA placing greater faith in military means and in

<sup>161</sup> The new Ukrainian Government under Prime Minister Yulia Tymoshenko was unanimously approved by all parties in the national parliament (Verkhovna Rada). Warner, T., 'Tymoshenko wins unanimous vote as Ukrainian PM', *Financial Times*, 5–6 Feb. 2005, p. 4.

<sup>162</sup> Karajanov, Z., 'Kazakh leadership fears upheaval', *Times of Central Asia*, 13 Jan. 2005, p. 5.



forced transformations generally. However, both the USA and EU member states recognize that partnership between them is a precondition for their effective contribution to global stability and the spread of democracy—and indeed for their own safety in certain dimensions, such as non-proliferation and combating transnational terrorism. The deep-seated and doctrinal nature of transatlantic differences notwithstanding, pragmatic cooperation between the EU and the USA may return to something like ‘default’ status in the years to come.

At the same time, a new divide seems to be emerging along the eastern boundaries of Europe. The leaderships of a number of countries outside the present bounds of the EU and NATO enlargement processes are increasingly resentful of the spread of democracy and regard it as a challenge to the long-term survival of their regimes. This does not translate into a direct threat to European security of the kind familiar from the cold war. However, there is a risk that hampering democracy and depriving peoples of the prospect of prosperity will make internal dynamics more unstable and eventual changes more violent—with consequences that will spread at least temporarily beyond the frontiers of the states concerned. The risk to regional security, in this scenario, would come not from the traditional regimes’ strength but from their underlying weakness, and not from the likelihood of their explosion so much as their implosion.

Russia is an important case in point, both externally and domestically. The enlargement processes and neighbourhood schemes, potentially reinforcing each other, are restricting Russia’s room for manoeuvre and forcing the Putin Administration into a painful reassessment of its former *modus vivendi* with the West. It increasingly seems to regard these developments, paired with changes outside its control in the CIS region, as a threat to Russian vital interests and to Russia itself. The paradox, however, is that the longer-term effect of Western ‘encroachment’ can only be to bring other CIS countries gradually closer to Russia’s own relatively more advanced level of democratization, the deficiencies of its model notwithstanding. A Russia that proceeds with reform—albeit for its own reasons—could expect to remain ‘first among equals’ in this situation, both in Western eyes and within its own region. A backsliding and increasingly autocratic Russia would not. In a further paradox, therefore, President Putin’s centralization drive may soon give rise in Russia’s provinces to fears *for* the government rather than fears *of* it.

Turkey, another powerful actor-in-the-making, is set to embark on a long journey of EU accession that may help further reduce the number of potentially violent conflicts in Europe. However, it also poses a challenge by bringing ‘EU Europe’ closer to the volatile and unstable Middle East.