

#### Bertelsmann Stiftung

Why the World needs a Strong Europe...and Europe needs to be Strong. Ten Messages to the European Council

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#### Ten Messages to the European Council

*Message One – Re-invigorate European Security:* Europeans will need to go strategic and will only do so as Europe. The European Union is the only instrument that can realise the foreign, security and defence needs and responsibilities of Europeans affordably and effectively.

*Message Two – Implement the Security Provisions of the Constitutional Treaty:* The security provisions of the Constitutional Treaty should be pursued even if the Constitution fails to be ratified. Europe needs a Foreign Minister, an EU Diplomatic Service and permanent structured co-operation.

*Message Three – Recognise the Reality of Leadership:* To be an effective security actor all member-states need to recognise the political reality of security leadership by the major member-states.

*Message Four – Review the European Security Strategy:* In light of the rapidly changing strategic environment Europeans must undertake a new strategic survey. The European Security Strategy needs to be updated. This would reinforce effective political guidance and provide planning benchmarks.

*Message Five – Engage the European People:* Europeans want leadership. To generate political capital for Europe's new defence, European leaders must open a strategic dialogue with the people.

*Message Six – Promote Strategic Structured Co-operation:* Europe must develop global reach security effect founded on civil and military strategic structured co-operation that places the major powers in the lead of the development and organisation of capabilities. To that end, military and civil leadership or pioneer groups should be created.

*Message Seven – Institute a New Strategic Directorate:* Those units in both the Council and the Commission responsible for security and defence should in the longer run be brought together into a new combined Strategic Directorate with the Foreign Minister/High Representative at its head.

*Message Eight – Match Rhetoric with Capabilities:* There will be no more money for European security and defence. In such circumstances only better organisation and the efficient, integrated use of resources will afford 21st century security to 21st century Europeans. Indeed, Europe's future defence will necessarily be integrated.

*Message Nine – Take Practical Steps to Generate Cost-Effective Security:* To achieve coherence and co-ordination, improve capabilities, but above all generate cost-effective security, a range of practical and affordable steps would enhance the spectrum of Europe's civil and military capabilities. Such steps must be focused on a smart transformation and smart procurement concept that reinforces both the existing strengths of European militaries and Europe's value for money defence concept.

*Message Ten – Confirm the Value of Partnerships:* Existing and emerging strategic partnerships that place Europe at the centre of a global security community are vital for a secure Europe in a changing world. The transatlantic security relationship will re-constitute in the big picture world into which Europe is moving, but it must be a relationship founded on genuine political partnership.

### 1. Managing Strategic Change

Power, Europe and Security

Whatever internal constraints may exist, Europe's place within global security, and Europe's contribution to it, demands that Europeans play a full role in managing strategic change. That means Europe must act, as well as reflect. Fifteen years of strategic navel gazing must be brought to an end. First, the emergence of Asia represents a dynamic shift in the global balance of power with profound implications for European security. Second, the transatlantic relationship is changing and if Europeans are to influence the United States they must prove themselves worthy of the strategic partnership essential to European and world security. Third, only through credible collective will and capability can Europeans hope to deal with the array of risks and threats that will confront them over the next ten to fifteen years. Fourth, there will be little or no extra money to invest additionally in Europe's security and defence.

- New Strategic The Founding Fathers would be rightfully proud of the integration that has taken place over the past half century, but they would also recognise the world of 2005 as being far closer to the world of 1945 than 1995. Several new challenges are emerging all of which demand of Europeans the ability to engage security anywhere in the world:
  - Strategic Change: For the first time in five hundred years Europe is neither the source of conflict, nor the centre of power. The Asia-Pacific region is the most dynamic place on Earth. However, its combination of rapid growth and strong nationalisms demands of Europeans a long-term understanding of the security implications of change therein.
  - Strategic Technology: The proliferation of weapons of mass destruction, and associated technologies, driven by states and other groups with extreme belief systems, represents (and will represent) a profound challenge for Europeans.
  - Strategic Failure: Europe now faces state failure in neighbouring regions with profound social, political and economic consequences for Europeans. The Caucasus, Africa and the Middle East face the most profound of challenges ranging from pandemic disease, religious radicalism and failing governance. Europeans will have no alternative but to manage the consequences of such failure.
  - Strategic Relationships: European security rests on strong strategic partnerships. Two sets
    of relationships are pivotal Russia and the United States. The role of Russia in European
    security remains unclear, neither partner nor adversary. The United States, committed as it
    is the world over, seems unsure as to the role it wishes to play in the world and the value
    of Europeans as partners. Only by being strong will Europeans convince Russians and
    Americans alike that partnership with Europe is essential to their own security needs.

• Strategic Institutions: Europe has always been at the very centre of institutional security. The United Nations, NATO and, indeed, the European Union itself are ideas that emerged from conflict in Europe. Today, the role of institutions in international relations is vital. A strong EU will not only act as an example to others, but help stop the steady erosion of strategic institutions, such as the UN, as arbiters of a rule-based international system.

Within the context of such change the rejection of the Constitutional Treaty by the French and Th Dutch voters put 'ever closer union' on the back burner for the foreseeable future. At the same time, the facts of power within the European Union have never been clearer. Power resides firmly with the member-states, the major ones in particular. Therefore, it is clear that progress will now depend upon intense co-operation between Europe's states reinforced, focused and multiplied by the institutions of the Union. Such a political reality is nowhere more apparent than in the field of foreign and security policy where the need for a capable Europe is selfevident. Like it or not, the security of Europe is intrinsically linked to the security and stability of the world beyond. Like it or not, Europeans are going to have to face the responsibilities that the world imposes upon them. There can be no hiding place.

Therefore, in such an environment four security truisms confront Europeans. First, security Europeanies the primary responsibility of European leaders. Second, to provide such security Sec Europeans will have to go strategic, i.e. have the capacity to do more and go further. Europeans can only go strategic as Europe. Third, the European Union remains the most effective security multiplier yet invented, affording stability within and offering security beyond its borders. Fourth, the need for Europeans to generate a credible security and defence presence is pressing.

To that end, the post-Constitutional Treaty period of reflection must be swiftly concluded. In its Re-invigorate leaders must move quickly to restore, renew and re-invigorate the European Security European Security and Security Policy (CSFP) and the European Security and Security Defence Policy (ESDP):

- To maximise the security presence of Europeans in the world.
- To permit Europe's major powers to lead Europe forward in a complex and dangerous world, albeit firmly anchored within the institutional framework of the Union.
- To finally start an internal strategic dialogue with EU civil society about the role of Europe in the world.
- To enhance effectiveness through a balance between leadership and legitimacy that will serve as an example to others.
- To create a capabilities-led approach to European security and defence.
- To re-invigorate Europe's old, and to initiate new, strategic partnerships through action and by demonstrating the ability to act.

The Power of Member-States

Europe's Four Security Truisms

Re-invigorating European Security

- Popular support Popular support is vital. Neither the Common Foreign and Security Policy, nor the European for CFSP Security and Defence Policy were the cause of the recent crisis. On the contrary, the support for a greater common effort in the field of foreign, security and defence policy is widespread both inside and outside the EU. Indeed, according to recent Euro-Barometer and German Marshall Fund polls a vast majority of European citizens are in favour of such an effort. To focus that support European leaders must open a new strategic dialogue with Europeans to reinforce the need for effective European security and defence, and thereby generate the political capital vital to legitimising the effort.
- Beyond Reflection: Why a Strong Europe

Ever since the creation of the European Security and Defence Policy in 1999 the political momentum towards an autonomous security and defence political capability has been maintained. In spite of profound tensions over the invasion of Iraq and the uneven effort between and by the member-states ESDP has kept moving forward. First, because the need for political solidarity in a world undergoing such profound geopolitical change is self-evident. Second, because Europeans by and large accept that it is Europeans who must ultimately secure and defend European values and interests. Third, because security and defence remain an essential element in the drive towards eventual political union.

Review the After the attacks on Madrid and London, Europeans are profoundly conscious of the insecurity with which they now live daily. However, they want and need leadership and without a frank dialogue between leaders and people a security and defence vacuum could still emerge. Such a vacuum would accelerate Europe's relative decline as Europeans lose any pretence to being security actors of note and retreat into themselves. A very real danger exists that the new Europe will become a little Europe, eclipsed by the emergence of new actors in Asia and its own lack of strategic vision, and all the more fearful for it. Therefore, far from being a crisis, the political realism of post-Constitution Europe must be grasped as an opportunity for vital action. First, European leaders must re-state unequivocally the political commitment that has underpinned Europe's security and defence momentum. Second, Europeans must undertake a new strategic survey to build on the European Security Strategy. Strategies should always be reviewed.

New Age, New In other words, European leaders must move on from the May 2005 rejections of the Constitutional Treaty by the French and Dutch and use security and defence as the reason. Of course, the democratic will of the people must be respected, but it is patently self-evident that neither the French nor the Dutch voted to make themselves, and their fellow Europeans, insecure and certainly did not vote against a more capable Europe in the world.

European leaders must, therefore, separate issues of domestic governance from the need for effective external engagement. Failure to do so will be self-defeating because by negating Europe's global responsibilities, Europeans will only make themselves even more marginal and thereby less influential over their security destiny. Moreover, the European Union is the natural centre of gravity for such an effort because a) no European state alone is large enough or strong enough to confront alone the many challenges faced by the European citizen; and b) complex challenges require a broad array of civil and military tools and resources. Given that the Union mirrors the functions of a state the EU is the logical focal point for all forms of power (military, diplomatic and economic) necessary to deal with a complex world and the challenges it generates.

To that end, the foreign, security and defence provisions of the Constitutional Treaty should be further pursued, even if the Constitution fails to be ratified. European leaders must move to implement those parts of the Constitution that can be agreed by the member-states. In particular, the role of the High Representative as a focal point for leadership and co-ordination, an EU Diplomatic Service to give the Union a real presence in the wider world and to reinforce the efforts of the member-states and the generation of leadership through structured co-operation would be natural next steps on Europe's return to strategic reality. The European Council is clearly the centre of European power and thus bears the greatest responsibility for generating effective European security. However, the efforts of both the Council and the Commission are too often fragmented and poorly co-ordinated. In such a complex strategic environment all that matters is the generation of security effect. At the very least, and at the urging of the Presidency, the Commission and the Council should review the demarcations that limit effective coordination, particularly during crises.

Recognise the Power of the Union

Implement the Security Provisions of the Constitutional Treaty

#### 2. Beyond Reflection

- Leading by In the wake of the 'double no' it is evident that the doom-mongers were wrong. The European Example Union has neither collapsed nor dissolved. But Europe cannot wait for long. It is high time to put the Union back into political gear. Equally, reflecting is not doing and in a dangerous and complex world in which effective security governance across the conflict spectrum is at a premium, an institutional bastion of stability such as the Union cannot lean back. The EU must lead by example. Indeed, the European Union has a vital and leading role to play in ensuring that order wins over chaos and misery.
- Lessons from Unfortunately, for too long the politics of Europe have been focused on internal matters. Much Madrid, London of the world beyond has been forgotten. Given the nature and pace of strategic change, the emergence of Asia and the attacks on Madrid and London (and the encroachment of the systemic instability they reflect), such complacency must end. Europeans must move beyond fear and grasp the complexity, the extent and the range of serious internal and external security challenges that they face. The importance of the Union as a security actor is not less, but more apparent – Constitutional Treaty or no.
  - Europe's Where to start? The 2003 European Security Strategy laid down basic guidelines for European Strategic strategic thinking in an age of insecurity and strategy. Terrorism, proliferation of weapons of mass destruction, the prevention and containment of regional conflicts and state failure, as well as the disruption and prevention of organised crime were identified as Europe's strategic priorities. However, in the short to medium term Europeans will also need to focus their efforts on four challenges that are themselves mutating and changing: strategic terror, re-emerging state tensions beyond Europe, regional instability and, as demonstrated by the potential threat from Bird Flu, unconventional challenges to Europe's security.
  - Mutating Strategic terror: Strategic terror is mutating. What is emerging from the counter-offensive that Strategic Terror the Americans call the Global War on Terror, is a latter day Thirty Years War in which extreme belief systems, old but massively destructive technologies, instable and often intolerant societies, strategic crime and the globalisation of all commodities and communications combine to create, potentially at least, a multi-dimensional threat that transcends geography, function and capability. Strategic counter terror is also mutating from a series of man-hunts into a new strategic doctrine for engagement in a world in which almost all European engagements will, by definition, be asymmetric, dangerous and with an ability to suck Europeans into sustained commitments that will stretch their civil and military means.

New/old Challenges: The mutation of strategic counter terror is reinforced by new/old challenges that are beginning to re-emerge. After fifteen years of strategic vacation heralded by Fukuyama's 'end of history' the world is now finally witnessing a re-birth of major state politics. Security is at a tipping point and in time strategic counter terror will be replaced as the centre of gravity. Indeed, decisions taken now will dictate the shape and seriousness of European security decades ahead. Such an environment places a particular premium on the need for informed analysis and creative solutions.

Unconventional Challenges: Nor are threats and challenges a consequence solely of strategic political change. Indeed, there are many drivers that are globalising insecurity and reinforcing the interdependence of the vulnerable. Europeans talk with some pride of the EU's comprehensive civil-military approach to security which has made a significant contribution to the stabilisation of Europe's immediate neighbourhood. It needs to go far further.

However, understanding change is one thing. Managing change on the other hand requires commitment, consistency and creativity. Therefore, given the constraints on European resources, Europeans need a new approach to generating security that combines the top-down generation of capabilities with bottom-up processes of reform generated from an at best static financial and resource base. To that end, efforts to combat strategic terror, and lessons learned therein, must necessarily provide the benchmark for transformed thinking that will underpin planning for engagement, both civil and military, allied to forces and capabilities that can go anywhere, stabilise anyone and manage anyone, for however long it takes. In other words, Europe needs to be able to generate strategic, synergistic civil-military power and will only do so through a combination of major state political leadership and a more integrated application of intellectual and physical resources and capabilities. Specifically, EU-focused intelligence-sharing, strategic capabilities development, pooling, specialisation and defence integration are the ways forward. First and foremost, the European Union must develop a strategic planning and analysis capability founded on a long-term partnership between the Union, states and the academic/ policy community that will underpin strategy, policy and capability...and generate ideas.

Leadership is vital. Indeed, given the nature of the new environment all Europeans are faced with a choice. In the near term either the major European states lead within the institutional framework, and thus benefit from the legitimacy and accountability afforded by the Union – reforming it and organising it to effect as they so do. Or, they step outside of the Union reducing the effectiveness of Europe's engagement with the world and condemning Europe's security whole to be less than the sum of its many parts. Alternatively, the Union remains trapped in its internal contradictions. It is a prospect that will condemn future Europeans to a life of insecurity and an excessive reliance for their well-being on others. It is a stark choice but one that has to be made.

New/Old Challenges

Unconventional Challenges

Lessons Learned from Counter Terror

The Price of Leadership

#### 3. Europe's Big Picture Security Programme

Matching Rhetoric with Capabilities

Therefore, Europeans need a big picture security programme to cope with the big picture security environment that is rapidly emerging. Plan for that and all other levels of engagement will be provided for. Therefore, the Venusberg Group calls upon the Union and its member-states to add the strategic level of threats to those for which Europeans must plan and prepare. In other words, Europeans must finally match rhetoric with capabilities. Again, only better organisation and the efficient, integrated use of resources will afford 21st century security to 21st century Europeans.

SecurityFirst, review and harden the European Security Strategy into a strategic concept that moreStrategy torobustly defines the when, the why, the where and the how of Europe's external engagement.StrategicA new strategic challenges survey examining likely challenges over the next 15-year planningConceptcycle would underpin the transformation of the European Security Strategy into a EuropeanStrategic Concept.

Strategic Second, European defence is unique for the balance it seeks between the civil and military Structured management of security. Europe must develop a twin track approach to the development and organisation of civil and military capabilities. To that end, it would be desirable that Britain and France re-convene a second St Malo summit to give new impetus to the development of European military defence. Likewise, Germany might push for a second Cologne summit to re-consider the development of strategic European civilian structures and capabilities. At the same time, the European Capabilities Action Plan (ECAP) must be re-visited to consider Europe's defence needs, both civil and military, over the next fifteen to thirty years.

Combined Third, those units in both the Council and the Commission responsible for security and defence Strategic should in the longer run be brought together into a new combined Strategic Directorate with Directorate the Foreign Minister/High Representative at its head. Furthermore, an EU Diplomatic Service should be established to support the new directorate. In the short term, a new code of conduct would strengthen co-ordination between the High Representative, the European Commission's Directorate-General for External Relations (RELEX) and the Presidency for the conduct of external relations.

Fourth, Europeans need as matter of some urgency to undertake the following practical and affordable steps:

- Adjust the CFSP and ESDP accordingly through an assessment of the tasks, both civilian and military, that will be required of Europeans over the next planning cycle.
- Within the framework of the new strategic directorate provide for more effective intelligence-sharing and homeland security provisions.
- Draw upon the capabilities and personnel of SHAPE, or the major Europeans, to provide Europe with the ability to plan and execute major military operations autonomously. In time, a European Strategic Civil-Military Headquarters will be essential.

• In parallel, reinforce and develop the fledgling EU civil-military headquarters as a unique capacity for peace-building operations.

Better Organisation

- Plan the progressive strengthening of Europe's military capabilities in line with the expanding military task list through a review of the Comprehensive Capabilities Review Process (CCPR) and the European Capabilities Action Plan (ECAP). Where possible seek synergies with NATO's Prague Capabilities Commitments (PCC). Capabilities development should be a one-stop shop.
- Enhance Europe's strategic self-confidence through the development of European strategic enablers, such as satellite surveillance, fast sea and air lift, advanced communications systems and munitions and open up intra-European defence procurement to that end.
- Enable the major states to lead Capabilities Development Groups based on their own defence planning needs. Such leadership will enable other Europeans to choose which leadership group civil or military is best suited to their needs and their aspirations.
- Earmark European forces to the tasks for which they are best suited. Europe needs sufficient numbers of Very High Readiness, High Readiness and Stabilisation and Reconstruction Forces.
- Re-design transformation to better balance what Europeans can do with what needs to be done. A smart transformation concept would seek to improve existing European forces by building on their existing strengths rather than attempting to 'transform' them all into advanced expeditionary warriors. Transformation would, therefore, be sub-divided into three types of forces; high intensity forces for forced entry operations (very high readiness), robust peacemaking and peacekeeping forces (high readiness) and stabilisation and reconstruction forces (large force pool). Effectiveness must be wedded to cost-effectiveness.
- The effective relationship between Europe's armed forces and its emerging gendarmerie capability will be of particular importance. Reinforce the European Gendarmerie Force and tailor it to work alongside European Stabilisation and Reconstruction Forces as part of a new EU Stabilisation Concept.
- EU Battle Groups should adopt the same certification procedure as that for the NATO Response Force (NRF). The development and deployment of the NATO Response Force and the EU Battle Groups must therefore be compatible.
- Battle Groups must not be ends in themselves. Re-establish an overt link between the Battle Groups, the larger European Rapid Reaction Force and in time the development of a European strategic capability. The Force Catalogue should be developed into a regular augmentation mechanism for both the EU Battle Groups and the NRF.
- Create a European Special Forces Group to bring together the best of Europe's Special Operations Forces for training and exercising.
- The European Defence Agency (EDA) must be given real teeth. First, the EDA needs a much larger budget to promote research and development as part of a necessarily increased CFSP budget generated by saving elsewhere. Second, it must be given stronger powers to perform its EU-wide procurement leadership role as part of a new European smart procurement concept. Third, the European defence market needs to be liberalised to improve the value for money of European equipment through economies of scale. A new

Specifications Agency should be set up within the EDA to examine long-term European equipment needs.

• Develop a common operational budget to spread the commitment burden fairly across the members of the Union.

#### 4. New and Old Strategic Partners

Europe alone will not be enough. Europe, therefore, needs to foster strategic partners, both old The Role of and new. Equally, with the best will in the world it would be inappropriate for Europeans to Partners leave their interests and values in the hands of others, however well-intentioned they may be. In this new age the transatlantic relationship will undoubtedly re-constitute, but to be effective it must be a relationship founded on a genuine (and capable) partnership.

Whilst the transatlantic relationship will remain for the foreseeable future the cornerstone of Europe's strategic security relations, Europeans must forge relationships with the newly powerful the Strategic Hub world over. Only the Union can afford Europeans such partnerships with any semblance of credibility. The European Union is Europe's strategic hub.

However, relations with strategic partners must and will necessarily strengthen as Europeans Partners Matter themselves assess and respond to the new security environment:

- The transatlantic security relationship will remain vital with NATO as its pivot. NATO and the EU together are essential for the effective organisation of Europeans, North Americans and others to effect in what is a multi-polar, multi-challenge environment.
- EU-NATO Crisis Action Teams are needed to strengthen on-the-ground crisis management and thus marry top-down and bottom-up approaches to security.
- The EU must and will develop a direct security relationship with the United States. The first issue addressed by such a relationship should be the fight against terrorism.
- The EU must create a cob-web of strategic partnerships tying old and emerging actors together, with the Union at its centre.

# 5. Why the World needs a Strong Europe...and Europe needs to be Strong

- Time toSixty years ago the likes of Churchill, Monnet, Schumann, De Gasperi, Spaak and Adenauer wereReach Outtaking the first small fitful steps on a journey to a Europe unrecognisable from the carnage and<br/>destruction they surveyed around them. It was a Europe that emerged from a determination<br/>that never again would the Old Continent collapse into self-destruction. A Europe that had to<br/>withdraw into itself to re-build itself but, having successfully recovered, now faces a fundamental<br/>dilemma what role if any does Europe play in a world it once dominated? If the world must<br/>seem a bleak place viewed from Washington, too often the world is mere abstract when viewed<br/>from Brussels. To say the very least, it would be an error of gargantuan proportions for the major<br/>European states to withdraw once again into mutual and recriminating struggle over the<br/>hierarchy of prestige within the Old Continent. Being top act in a sideshow is hardly the point.<br/>Moreover, those Europeans who think that: a) they can avoid responsibility; b) security can be<br/>afforded by distancing Europe from the US; and c) Europe has no role to play in the wider world,<br/>are profoundly mistaken.
- From Intense
   Equally, there are those who suggest that Europe's long political road towards political union is
   now at an end. In the wake of the Constitutional Treaty there is no reason for that to be correct.
   Integration
   Far from it. Indeed, the intense co-operation between the Union's member-states that such an environment will generate could well presage the next age of integration. That is the paradox of Europe's new security age. New political integration could well come from the oldest of European political interactions security and defence and from between the oldest of Europe's political actors European states.
- Europe's TwoTo conclude, two truisms of Europe's contemporary security reality must be re-iterated. First, in<br/>the short to medium term only through intense co-operation between the member-states, with<br/>the Union at its core, can Europeans hope to generate the critical mass of cost-effective security<br/>necessary for managing critical insecurity. Second, only through the institution of the Union can<br/>Europeans hope to establish an effective transmission between broad complexity and European<br/>power.

The world needs a strong Europe...and Europe needs to be strong. The Venusberg Group calls Europe to action and Europe's leaders to account. It is time for vision. It is time for leadership.

The Venusberg Group November 2005

#### Propositions

- 1. *Re-invigorate European Security:* The security of Europe is intrinsically linked to the stability of the world beyond. The European Union is best placed to generate comprehensive and coherent European security capabilities that both the world and Europeans so patently need. Moreover, the EU is the focal point for all forms of power (military, diplomatic and economic) necessary to deal with a complex world and the complex challenges it generates. To that end, the post-Constitutional Treaty period of reflection must be swiftly concluded. In its place leaders must move quickly to restore, renew and re-invigorate the Common Foreign and Security Policy and the European Security and Defence Policy.
- 2. Implement the Security Provisions of the Constitutional Treaty: European leaders must separate profound issues of domestic governance from the need for effective external engagement. Failure to do so will be self-defeating because by negating Europe's global responsibilities Europeans will make themselves even more insecure. To that end, the foreign, security and defence provisions of the Constitutional Treaty should be pursued even if the Constitution fails to be ratified. Above all, emphasis should be placed on the role of the Foreign Minister/High Representative as a focal point for leadership and co-ordination, the EU Diplomatic Service to give the Union a real presence in the wider world and the generation of leadership through permanent structured co-operation.
- 3. *Recognise the Reality of Leadership:* Europeans are about to cross a threshold that divides the primacy of internal matters from external engagement. Europeans will soon cross another threshold between regional crisis management and global crisis management. Given the nature of the new environment all Europeans are faced with a choice either they permit the major European states to lead within the institutional framework, or they risk that the latter step outside of the Union reducing the effectiveness of Europe's engagement with the world as they do.
- 4. *Review the European Security Strategy:* Europeans are acutely conscious of the insecurity with which they now live daily. The leadership they seek can only be communicated through a serious attempt to confront the challenges that Europeans face. It is now two years since the European Security Strategy was agreed and published. Strategies should always be reviewed. If the Strategy becomes irrelevant so will the EU as a security actor. Therefore, in light of the rapidly changing strategic environment Europeans must undertake a new strategic survey to build on and adapt the European Security Strategy. A new strategic challenges survey examining likely challenges over the next 15-year planning cycle would underpin the transformation of the European Security Strategy into a European Strategic Concept.

- 5. *Engage the European People:* Europeans want leadership. To generate political capital for Europe's new defence European leaders must finally open a strategic dialogue with EU civil society about the role of Europe in the world. Only by gaining broad popular support Europe will be capable of achieving its strategic objectives and master the challenges ahead.
- 6. Promote Strategic Structured Co-operation: European defence is unique for the balance it seeks between the civil and military management of security. To that end, Europe must develop a twin track approach to the development and organisation of civil and military capabilities. It would be desirable for Britain and France to re-convene a second St Malo summit to give new impetus to the development of European military defence. Likewise, Germany might push for a second Cologne summit to re-consider the development of strategic European civilian structures and capabilities. The European Capabilities Action Plan must also be re-visited to consider Europe's defence needs, both civil and military, over the next fifteen to thirty years.
- 7. Institute a New Strategic Directorate: The European Council is clearly the centre of European power and thus bears the greatest responsibility for generating effective European security and defence. However, in reality the efforts of both the Council and the Commission are too often fragmented, poorly co-ordinated and subject to interminable turf battles that undermine the generation of European security effect. Indeed, in such a complex strategic environment all that matters is the generation of security effect. To that end, those units in both the Council and the Commission responsible for security and defence should in time be brought together into a new Combined Strategic Directorate under the leadership of the High Representative. An EU Diplomatic Service should be established to support this new directorate. In the short term, a new code of conduct would strengthen co-ordination between the High Representative, RELEX and the Presidency for the conduct of external relations and should therefore be agreed as a matter of urgency.
- 8. *Match Rhetoric with Capabilities:* Even though challenges and threats are radically greater than the power of any individual state and demand radically different solutions, it is also clear there will be no more money for European security and defence. At the same time, Europeans must finally match rhetoric with capabilities. In such circumstances and given there will be little or no extra money for European security and defence, only spending better and the better organisation of resources will afford 21st century security to 21st century Europeans.
- 9. *Take Practical Steps to Generate Cost-Effective Security:* Europeans need, as matter of some urgency, to undertake the following practical planning steps to generate cost-effective security:
- Adjust the CFSP and ESDP accordingly through an assessment of the tasks, both civilian and military, that will be required of Europeans over the next planning cycle.

- Within the framework of the new strategic directorate provide for more effective intelligence-sharing and homeland security provisions.
- Draw upon the capabilities and personnel of SHAPE, or the major Europeans, to provide Europe with the ability to plan and execute major military operations autonomously. In time, a European Strategic Civil-Military Headquarters will be essential.
- In parallel, reinforce and develop the fledgling EU civil-military headquarters as a unique capacity for peace-building operations.
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- Battle Groups must not be ends in themselves. Re-establish an overt link between the Battle Groups, the larger European Rapid Reaction Force and in time the development of a European strategic capability. The Force Catalogue should be developed into a regular augmentation mechanism for both the EU Battle Groups and the NRF.
- Create a European Special Forces Group to bring together the best of Europe's Special Operations Forces for training and exercising.

- The European Defence Agency (EDA) must be given real teeth. First, the EDA needs a much larger budget to promote research and development as part of a necessarily increased CFSP budget generated by saving elsewhere. Second, it must be given stronger powers to perform its EU-wide procurement leadership role as part of a new European smart procurement concept. Third, the European defence market needs to be liberalised to improve the value for money of European equipment through economies of scale. A new Specifications Agency should be set up within the EDA to examine long-term European equipment needs.
- Develop a common operational budget to spread the commitment burden fairly across the members of the Union.
- 10. Confirm the Value of Partnerships: Relations with strategic partners will and must necessarily strengthen as Europeans themselves assess and respond to the new security environment. The EU must create a cob-web of strategic partnerships, tying old and emerging actors together, with the Union at its centre. Therein, the transatlantic security relationship should play a decisive role, but will only do so as a genuine political partnership.

#### The Venusberg Group

The Venusberg Group is a high-level group of security and defence experts from across Europe brought together by the Bertelsmann Stiftung in early 1999. Since then meetings have frequently been held to examine the future of EU foreign, security and defence policy. Two Venusberg Reports have been released so far: "Enhancing the European Union as an International Security Actor. A Strategy for Action" (2000) and "A European Defence Strategy" (2004). The Venusberg Group is now preparing a third report to put forward a European foreign policy strategy.

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- No. 1 Bertelsmann Stiftung (ed.): Securing the European homeland: The EU, terrorism and homeland security (August 2005)
- No. 2 Franco Algieri, Thomas Bauer, Klaus Brummer: Options for the Further Development of CFSP and ESDP without a European Constitution (October 2005)
- No. 3 Bertelsmann Stiftung:
   Why the World needs a Strong Europe...and Europe needs to be Strong. Ten Messages to the European Council
   Written by Julian Lindley-French and Franco Algieri; Advised by Thomas Bauer, Yves Boyer, Klaus Brummer, Gustav Gustenau, Antonio Missiroli, Stefani Weiss and Rob de Wijk (November 2005)

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