



epis
ThinkTank

international foreign affairs & security politics

III. issue

March 2024

epis-thinktank.de

TO ARM OR NOT TO ARM



INTERVIEW WITH **RON KELLER**

(ret.) Dutch Ambassador to Ukraine, Russia

Future Combat Air Systems

**Truly the Future of European Strategic Autonomy
or Selling old Wine in new Bottles?**

Visionaries of European strategic autonomy have engaged in many initiatives to reduce European dependency on U.S. weapon technology. Most recently, the Future Air Combat Systems (FCAS) project has emerged. The following study will attempt to answer whether projects like FCAS genuinely contribute to the future of European strategic autonomy or simply sell old wine in new bottles.

Hiding in Plain Sight

**The Opportunities and Challenges
of Open-Source Intelligence**

Over the past years, open-source intelligence (OSINT) has gained increasing public attention. This background article analyses the power and methodology of OSINT.

Table of contents

Editorial

6

Foreword

Greetings from our partners

8

Greetings from Young Transatlantic Initiative

10

Greetings from EuroDefense

12

Greetings from EUROPEAN HORIZONS

Articles

14

**Natural Resources: Curse or Blessing?
Are Natural Resources a Curse or Blessing
for Developing Countries in Africa?**

A recurring theme when it comes to natural resources is their perception as a curse or blessing for the countries that possess them. While some scholars argue that the discovery of natural resources is one of the key drivers of corruption and the weakening of democratic institutions, others even claim them as a prerequisite for economic development.

26

**Geostrategic aircraft carrier:
Gotland's role in NATO's eastern flank.**

The dynamic Middle Eastern security landscape is in a constant state of transformation. Highlighting crucial trends, including the Abraham Accords, the Saudi-Iranian détente, and China's expanding influence in the region, the text underscores the vital need for policymakers to comprehend these new dynamics.

36

**The Effect of Double Tax Treaties
on Foreign Relations**

Double Tax Treaties influence the participating states' tax revenue. In the past, they have been accompanying the rise and fall of diplomatic contact. The article highlights the role of such treaties as a bargaining chip, even in times in which the international tax regime moves away from influential countries to influential international institutions.

48

**Navigating Troubled Waters: Black Sea Security
in the Context of the War in Ukraine**

The article discusses the current security challenges in the Black Sea region. The war in Ukraine has revealed vulnerabilities within NATO, including the lack of a cohesive regional identity and insufficient capabilities of some member states. Steps have been taken since 2022 to address these issues, including the establishment of new battle groups and regional defence plans. The text concludes with policy recommendations, emphasising the need for improved defence posture and increased allied military presence to deter Russian aggression.

60

**Looking Out for Sovereignty: Politicised Security
and Autonomy in European Integration**

Facing a multitude of crises in an increasingly multi-order world, Europe is experiencing a politicisation of European security policy integration. We propose a two-dimensional theoretical framework, in which two distinct conceptions of sovereignty - one shaped by the interests of security and one by those of national autonomy clash in the postfunctional mass arena.

Table of contents

76

How to Hug a Panda: Responding to Chinese Geopolitical Contestation With the West

China's rapid rise has prompted an extensive reevaluation of national security, technological competition, and trade dependencies in the West. Recent strategy documents published by major Western nations all name China and Chinese actions as of geopolitical concern. Therefore, it becomes vital to assess its influence on Western societies and politics and adequately respond to or even counter these influences in an era of ever more geopolitical contestation.

94

Future Combat Air Systems (FCAS) – Truly the Future of European Strategic Autonomy or Selling old Wine in new Bottles?

Visionaries of European strategic autonomy have engaged in many initiatives to reduce European dependency on U.S. weapon technology. Most recently, the Future Air Combat Systems (FCAS) project has emerged. The following study will attempt to answer whether projects like FCAS genuinely contribute to the future of European strategic autonomy or simply sell old wine in new bottles.

Commentary

110

Opinion Israel-Palestine conflict

The Israel-Palestine conflict is one of the most enduring and complex geopolitical issues in modern history. The conflict's complexity makes it hard to easily form a clear opinion on that issue. It is rooted in deep historical, religious, and nationalistic disputes. At its core, it encompasses a struggle over land, peace, and sovereignty, with profound implications for the people living in the region and for international peace and security.

114

Guest contribution

Stop Further Schengenians - What Potential New Member States Should Learn From Romania's And Bulgaria's Problems To Join Schengen.

New EU members shouldn't agree to the same Schengen Accession rules that Romania and Bulgaria signed. It's better for democracy.

118

Interview

Armament Supply for Ukraine: A Narrow Path of Diplomacy

Whether Ukraine is supported by arms deliveries or whether this only prolongs a devastating war is a difficult question. Diplomacy does not seem to be able to provide an answer to this. Diplomatic channels - also in connection with arms policy - are essential for Europe and the world.

122

Columns

Hiding in Plain Sight: The Opportunities and Challenges of Open-Source Intelligence

Over the past years, open-source intelligence (OSINT) has gained increasing public attention. This background article analyses the power and methodology of OSINT.

130

EPIS BASICS: Thucydides' Trap

FOREWORD

Theodor Himmel

Theodor Himmel graduated law at the University of Cologne and did his LL.M. at the University of Leiden During. He is currently working as a political consultant in Berlin and finishes his second state exam.

At EPIS, he edits the magazine as editor-in-chief, focusing on international foreign and security policy.



Pablo Mathis

Pablo Mathis (*2001) currently studies Security Studies at Leiden University in the Netherlands. Pablo's main area of interest is national security, with a special focus on great-power competition and nuclear and conventional deterrence.



About the Magazine

EPIS Magazine is entering its third issue. It is characterized by the growth of the EPIS think tank. With many new members, many authors also contributed to the work. This meant we were able to continue the existing formats, such as the scientific articles and the EPIS Basics format. At the same time, we launched new formats, such as the interview.

The magazine would not have been possible without our partners. We were able to further strengthen the existing partnerships with European Horizons and the Young Transatlantic Initiative. In addition, we have established a partnership with EuroDefense in recent months. The student authors of EPIS Magazine benefit from the rich experience of those experts. Finally, we would also like to thank friedrich30. Thanks to their support, among other things, we can concentrate on the work of the edition.

The issue is dedicated to the many problems that are spread across the globe. Whether Europe or the Far East, whether in the Middle East or Africa. The conflicts in Ukraine are prominent and, more recently, the resurgence of the Gaza crisis. They drown out the political landscape with loud threatening gestures and demands for rearmament. In this issue it was also important to us to show the other - mostly inconspicuous - sides of diplomacy. Tax policy and quiet negotiations are examples of quiet companions to diplomatic processes. It's rarely seen in the news, so we're covering it here. Because they play a crucial role in the decisions about the conflicts. Because we have the options, we are faced with the choice: to arm or not to arm?

We wish you a pleasant time reading!



Theodor Himmel

Editor-in-chief and chairman of
EPIS Thinktank e.V.

GREETINGS FROM YOUNG TRANS- ATLANTIC INITIATIVE

Tobias Bauer

Tobias Bauer has been President of the Initiative junger Transatlantiker e. V. since 2021. This organisation promotes intensive cooperation between the European Union and its transatlantic partners - on a social, cultural and political level. Since 2022, he has been the spokesperson for the state working group on international affairs of Bündnis 90/Die Grünen in Rhineland-Palatinate and a delegate to the federal working group. He studies business education at the Johannes Gutenberg University in Mainz.



Dear readers of EPIS Magazine,

This is the third time that a new issue of this foreign policy magazine has been published. Now also available in the databases of several German university libraries, this magazine offers young voices a platform to present the challenges of the various geopolitical fields of action. As president of the YTI, it is, therefore, a particular pleasure for me that some of our young transatlanticists are also able to publish their perspectives on the latest geopolitical challenges in this issue.

However, it should not be overlooked that the number of global conflicts is currently growing steadily. It is not only in the Gaza Strip or in the Donbas Region that never-ending military conflicts are raging. Across the globe, we can currently observe dozens of different conflicts that are resulting in serious humanitarian crises for the populations living there.

Our generation, therefore, bears the responsibility to develop prospects for long-term stability in the current crisis regions so that the people living there have long-term perspectives of being able to live in peace and security in their home countries.

In doing so, we must, regardless of our political schools of thought, maintain a critical view of our ideas and ensure that legitimate interests are weighed sensibly. We must respect the dignity of our counterparts and build long-term trust with the help of intercultural dialogue and integrity. We must remain critical, point out grievances, and inspire the next generations to follow suit.

My special thanks, therefore, go to EPIS Magazine, which provides a platform for these voices, as well as to all those who will share the results of their work and their visions for the future in the following articles. Of course, I can only conclude with a voice from the other side of the Atlantic. As Martin Luther King said: "True Peace Is Not Merely the Absence of Tension; It Is the Presence of Justice."

I wish you a stimulating read and new insights. We look forward to future cooperation with our friends at the EPIS ThinkTank.

*Yours sincerely,
Tobias Bauer
President of the Young Transatlantik Initiative*

GREETINGS FROM EUROPEAN HORIZONS

 **Irakli Bezhuashvili**

Irakli Bezhuashvili is the deputy executive director
of European Horizons



Dear Esteemed Readers of EPIS Magazine,

In an era marked by profound shifts in the global landscape, the importance of steadfast alliances has never been more pronounced. The recent upheaval caused by Russia's invasion of Ukraine has fundamentally altered the region's power dynamics. The tables have turned, and even a casual observer can register the significant shifts that have redrawn the contours of regional power structures, casting a stark light on the indispensability of a strengthened transatlantic security framework. This pivotal moment underscores the urgency for the European Union, along with its allies across the Atlantic pond, to reassess and fortify the bonds that have long ensured our collective security and prosperity.

At European Horizons, a transatlantic student-led policy incubator, we stand at the forefront of navigating these turbulent tides. The challenges we face today, from the existential threat of climate change to the rapid evolution of technology, demand a reimagined approach to our shared security and diplomatic engagements.

At the heart of our mission is the belief that the transatlantic bond remains a crucial pillar of global stability. The challenges posed by geopolitical adversaries and the shifting balance of power on the world stage only serve to reinforce the need for a unified and robust transatlantic bond.

European Horizons aims to empower the next generation of young transatlantic leaders to leverage this enduring bond, fostering innovative policy solutions that reflect the intricacies of the 21st-century geopolitical landscape.

In this critical juncture, our commitment to bolstering the transatlantic ties is unwavering. Alongside EPIS Think Tank, fostering a collaborative environment and contributing our insights and energies to the vital task of shaping a more secure, equitable, and sustainable world, we can navigate the challenges that lie ahead.

With warmest regards,

Irakli Bezhuashvili, on behalf of European Horizons

GREETINGS FROM EURODEFENSE

Patrice Mompeysson

Brigadier general (retired) Patrice Mompeysson is secretary general of the EURODEFENSE network. During the Former Yugoslavia conflict, he did a Tour in Bosnia within the NATO Stabilization Force in Sarajevo. At the end of his career, he specialized in international relations.



When I was at high school, in 1967, in the Middle East took place the “Six Days War” between Israel and Arabic countries. In 1968, in Europe, the Warsaw Pact invaded Czechoslovakia. In Asia, the Americans were in Vietnam.

When I was a young officer, in the seventies and the beginning of eighties, I was posted twice in Germany, where I was waiting for a possible attack by the Warsaw Pact, with 48h of advance notice. It is said that NATO deterrence, conventional and nuclear, prevented this attack. The Atlantic Alliance was indeed powerful. From 1975 to 1979, it was the Cambodian genocide.

Today, The Federation of Russia has invaded Ukraine, where soldiers fight in trenches like in 1914-1918, suffering huge human losses. High intensity warfare with an attrition tactics is horrific. Indirect strategies appears better than the great decisive battle. In this respect, all should be done to stop fighting by at least a cease fire. The lessons from the two World Wars seem to have been forgotten in less than one century. It is very sad. Same in Gaza.

If you add Chinese ambitions on Taiwan and South China Sea, we live in a dangerous world and those who predict that nuclear weapons will never be used are reckless.

Preventing war should be the aim of all nations. And “si vis pacem para bellum”, according to the old Roman maxim. The French chief of defence staff expresses that with the formula “win the war before the war”.

Unfortunately it is not always possible as the opponent can take the risk at any cost and impose the war to us . So we can have to go to battle when we do not want it

Europe is today militarily weak and if the US let us alone, the gap to close is very big. It is particularly worrying.

To prevent war or to win, to survive, it requires to be perfect, and no mistake is allowed. It cannot be the “half –full glass”. The enemy will exploit any weak point. Time is important. A slow progress, step by step, may mean we may be ready too late

It requires good general policy, strategy, operational art, diplomacy, industrial base. It requires also up to date weapons systems, and well trained soldiers, in great numbers for a long time. The support by the population, its resilience are fundamental.

Think tanks like EPIS are then very important. EPIS is doing a fine job . EURODEFENSE network is happy to collaborate with young experts, and to bring the experience of its generals, ambassadors, senior civil servants, industry executives. Our members have to learn in return from the young EPIS members, who prepare their country and Europe for the best possible future

Patrice MOMPEYSSIN



Natural Resources: Curse or Blessing?

Are Natural Resources a Curse or Blessing for Developing Countries in Africa?



Patrick Weimert 

Patrick Weimert currently studies International Affairs at the Hertie School with a specialization in international security. He is particularly interested in security issues in the nexus between international security and development policy. He has also worked as an intern at the NATO CIMIC Centre of Excellence, as a Professional Year Student at the Stabilisation Platform of the German Federal Foreign Office / GIZ and as an intern at the German Federal Foreign Office. He is particularly interested in the topic of civil-military cooperation.

A recurring theme when it comes to natural resources is their perception as curse or blessing for the countries that possess them. While some scholars argue that the discovery of natural resources is one of the key drivers of corruption and the weakening of democratic institutions, others even claim them as prerequisite for economic development.

Representatives of the *dependency theories* argue for the nationalisation of natural resources as a mandatory policy to achieve development. *Modernisation theories* are less deterministic and differentiate between wealth and development generated by resource extraction. However, with some representatives of the latter even mentioning the extraction of natural resources as a prerequisite for his economic development (Rostow, 1960). Today, the idea of mineral resources as precondition for development is highly challenged by the economic take-off of resource poor Asian countries and the lack of economic development in resource-rich African countries. With many of the poorest African countries paradoxically also being some of the resource-richest, the narrative of the resource curse was born in the field of international development theory.

The following essay will look at the most recognized theories, fundamental economic assumptions, and some cases of the 'curse' on the African continent. Comparing theory with real-life cases, this paper aims at answering whether resource-rich countries in Africa are destined to lack development or if there is a lift to the curse.

The Resource Curse

Among international development scholars, Sachs and Warner (1995) were the first ones to find empirical evidence for a nega-

tive statistical relationship between natural wealth and economic growth between 1971 and 1989, meaning that resource-rich countries were, oddly enough, less likely to experience successful development. Contradictory to previous predictions, resource-poor countries around East-Asia experienced economic growth that quickly surpassed the ones of resource-rich Africa or Latin America.

Building up on this revolutionary discovery, other scholars have discovered that only a fraction of the world's resource-rich countries have managed to keep their GDP per capita growth rates higher than the 2.2% average of low-income countries (Gylfason, 2001). With the empirical evidence growing, the narrative of a resource curse spread among international development scholars. Reversing the initial theories, resource abundance was even considered the cause of poor economic development.

Nowadays, the relationship between natural resources and economic development is considered far more complex. While it is true that resource-rich countries, especially in Africa, have experienced lower development rates than their resource-poor neighbours, correlation does not automatically constitute causation. Furthermore, the African continent also witnessed examples of countries that transformed its resource wealth into successful development, or were initially trapped in the resource curse, but managed to escape it (Amundsen, 2017).

In 1994, among the top 15 countries with the highest pre capita income, 5 were considered resource-rich (World Bank). In the case of Africa, prominent examples have also managed to transform their resource wealth into wealth and development of its people. Botswana's transformation from one of the

poorest countries in the world into an upper-middle income country is directly related to country's discovery of diamonds (Hillbom, 2008).

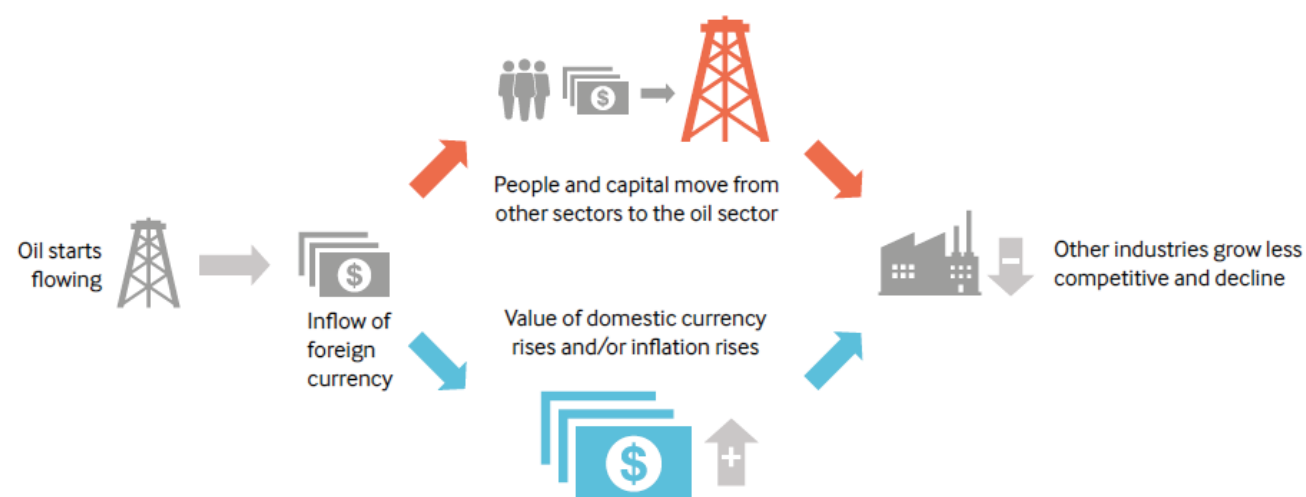
In order to understand whether natural resources constitute a curse or blessing for developing countries, the following part will investigate the theories that constitute the foundation of the resource curse narrative.

The Dutch Disease

Among the theories surrounding the resource curse, the most known one is perhaps the Dutch Disease. Having its origins in the Dutch experience in the 1960s - 70s when natural gas discoveries led to economic challenges, like the decline of the manufacturing sector (The Economist, 1977). It was later

picked up by Sachs and Warner as explanatory factor for their discovered negative relationship between natural resources and economic growth (1995). Other scholars have conceptualized the idea and developed its implications further.

Essentially, a sudden discovery of natural resources will have a negative effect on other sectors of the economy, especially the ones reliant on exports. Explaining the Dutch Disease requires separating a country's economy in three sectors: Services and other non-tangible goods, agricultural and manufactured tangible goods, and resource-based tangible goods. Representatives of the Dutch Disease claim that a boom in the resource-based good production will ultimately lead to decline in the other sectors (Corden and Nearly, 1982).



This is based on the assumption that increase revenues in the natural resource sector will lead to exchange rate appreciation and inflation, due to the increase of inflow of foreign currency. While these changes in currency and commodity prices also have an immediate effect on the economy, its long-term impact includes deep changes of a country's economy, including a shift of labour and capital from the other sectors into the resource sector (NRGI, 2015). The increase of reve-

nue is parallel to an increased demand for services connected to the resource sector, be it the demand for mechanics, chemical engineers or logistical experts, the high revenues from the resource sector outcompete service prices in the manufacturing sector.

Ultimately, contributing to an increase in the real exchange rate as most services are captured in the resource sector, the scarcity of services in other sectors causes prices to rise.

While the prices in the world market remain the same, rising manufacturing prices in one country will lead to higher relative prices compared to international competitors. Hence, manufacturing exports become more expensive, imports cheaper, and the manufacturing sector becomes internationally uncompetitive. Therefore, some scholars go as far as describing the Dutch Disease even hav-

The Dutch Disease:

refers to an economic phenomenon where a sudden influx of revenue from natural resource exports, such as oil or gas, leads to the appreciation of the national currency. This currency appreciation makes other sectors, particularly manufacturing and agriculture, less competitive in the global market, causing their decline. The term originated from the Netherlands' experience in the 1960s

the Nigerian economy, contributing to a set of interconnected issues commonly associated with Dutch Disease. The discovery and exploitation of oil resources have led to a substantial boom in the oil sector, making it a dominant player in the country's GDP composition. Therefore, Nigeria's economy has been heavily reliant on the revenue generated from oil exports. There have been many consequences of this heavy reliance on oil, with one of the primary manifestations of the Dutch Disease in Nigeria being the appreciation of the national currency. As predicted by the theory, the influx of revenue from oil exports drove up the value of the currency, a phenomenon that, like in the theory, had a negative effect on other sectors of the economy (Otaha, 2012).

The appreciation of the Nigerian naira made non-oil sectors, such as manufacturing and agriculture, less competitive in the global market. As the cost of Nigerian goods increases on the world market, these sectors experienced a decline in competitiveness. Ultimately, leading to some degree of de-industrialization in the country. The rapid growth of the oil sector has led to the flow of resources, services, and capital away from other industries. Thus, manufacturing, and agricultural activities have suffered as a result, contributing to a broader economic imbalance. Nigeria's vulnerability to fluctuations in global oil prices is another characteristic of the Dutch Disease. While high oil prices bring increased revenue into the country, low oil prices can result in economic challenges, like unstable government income (Otaha, 2012).

ing a de-industrializing effect on countries (Corden and Nearly, 1982).

With Africa being one of the most resource-rich continents, the consequences of natural resource discovery have been the cause of a declining manufacturing sector in many countries, like Nigeria, Angola, or Ghana (Mien and Goujon, 2022). In the literature surrounding the Dutch Disease in Africa, Nigeria is a recurring theme because it experienced many of the theory's problems after the discovery of significant oil resources.

The Dutch Disease phenomenon in Nigeria is a complex economic challenge stemming from the country's heavy dependence on oil exports. This reliance has had profound consequences for various aspects of

The country's economic power became closely tied to global oil prices, lacking the resilience of a more diversified economy. Inadequate investment in areas such as trans-

portation, education, and healthcare has further exacerbated the impact of Dutch Disease. Neglect in developing infrastructure in sectors other than the oil industry has created problems for the overall economic development of the country. Following the idea of the resource curse, its over-dependence on the oil industry has slowed the development of other sectors that could contribute to sustainable economic growth (Otaha, 2012).

However, the literature surrounding the Dutch Disease is far from a homogenous, with many authors pointing at the short comings of the theory and empirical cases that contradict it. When arguing for labour movements between a rising and a declining sector, one has to assume full employment. This is not the case in most developing nations. Additionally, resource extraction industries only require a small number of employees, making the possible movement of labour minimal (Corden, 1984).

Cases like Botswana show that the Dutch Disease is not an inevitable phenomenon in Africa. The country in Southern Africa is known for effectively managing its diamond resources, and its experience contrasting with the negative consequences often associated with Dutch Disease. Botswana's prudent management of its diamond wealth involved policies aimed at minimizing the adverse effects that typically accompany a heavy reliance on natural resource exports. Unlike Nigeria that faced issues such as currency appreciation, de-industrialization, and economic volatility, Botswana has implemented strategies to mitigate these challenges (Barczikay, Biedermann and Szalai, 2020).

One key factor contributing to Botswana's relative success is its establishment of the Pula Fund (Government Investment Account),

which acts as a sovereign wealth fund. The fund helps to manage the inflow of revenue from diamond exports, avoiding rapid currency appreciation and allowing for more sustainable economic development. While Botswana has not entirely avoided the challenges associated with resource dependence, it has demonstrated a proactive approach to managing its natural resource wealth, foster economic stability, and secure development. However, conditions can change, and scholars disagree over the country's ability to adapt once they have reached the predicted exhaustion of its mineral resources in 2052 (Barczikay, Biedermann and Szalai, 2020).

Like all economic theories, the Dutch Disease is attempting to simplify a much more complex world, which leads to shortcomings and empirical cases that contradict the theory. However, this does not mean that it is not valid to analyse the world and has even been highly successful in understanding Nigeria's economic problems. There are no social laws, similar to the physical law of gravity, that guarantee certainty over a specific social outcome. Therefore, theories can only deliver a framework on how to understand the world. Its shortcomings should not be considered a reason for rejection, but an incentive for further research.

The Resource Curse and its Effect on Democracy

When it comes to explanations why some countries are affected by the resource curse and some are not, there are three schools of thought: The cognitive explanation, the societal explanation, and the statist explanation.

First, representatives of the cognitive school of thought argue that policy mak-

ers in resource rich countries experience a sort of myopia or strategic shortsightedness (Ross, 1999). With a steady inflow of governance revenue secured through resource-related taxes, policy makers have a lower incentive to develop strong economic policies (Wallich, 1960). Some scholars go as far and argue that poor economic management even leads to policy makers significantly overestimating the longevity of natural resource wealth, leading to an increase of their government spending to an unsustainable amount (Manzano and Rigobon, 2001). Essentially, it perceives policy makers as lottery millionaires that instead of investing their money in a sustainable asset, assume the winnings will last forever. Countries that have experienced the resource curse are victim to bad policy making rather than the occurrence of resources. However, the theory is criticized for portraying policy makers as irrational actors, which contradicts most economic assumptions. Furthermore, it does not explain why private sector actors are not behaving in a similar, irrational way, upon the discovery of natural resources (Townsend, 1995).

Second, the societal school of thought rejects the individual failures of policy makers and takes a deterministic approach towards the influence of private corporations. With the majority of tax revenue collection coming from one sector, the relevant sector can have significant influence on policy making, pressuring policy makers into economically bad

decisions. While most societal theory scholars draw from examples from Latin America, Nigeria's experience with Import Substitution Industrialization (ISI) policies and its failure to transition away from ISI, has exacerbated the country's dependency on oil (Auty, 1994). ISI is an economic strategy where a country aims to develop its national industries and reduce import dependence. However, once the country discovered significant oil resources, the domestic supply already outcompeted international oil companies. Subsidizing an already overly competitive supplier led to an exacerbation of the national industry's dependence on domestic oil. This rose the oil companies influence to such a degree that they could influence decision makers to not lift ISI policies, even though they were slowing down economic development in other sectors (Egwaikhide, 1997). Nevertheless, criticism regarding societal explanations of the resource curse point out that they tend to generalize countries' individual experiences as universal theory. While Nigeria experienced a dependency on domestic suppliers, ISI policy in Sub-Saharan Africa paradoxically led to a dependency on foreign suppliers (Lawrence, 2005). Furthermore, the increased political influence of private corporations only applies in the specific cases, where they managed to successfully claim resource rents, like in Nigeria. It also fails to explain the resource curse in countries with a nationalized natural resource sector, a common theme among developing nations.



Figure 2: The Resource Curse on Democracy (Source: NRG, 2015)

Finally, the statist school of thought is the most recognized explanation of the resource curse today since it combines explanations from the cognitive and societal schools of thought. Most recognized, the idea of the *rentier-state*, arguing that with a high percentage of the government budget deriving from resource rents in resource-rich countries, the government is less reliant on the collection of taxes from its citizens. In some cases, the discovery of natural resources has had a significant effect on the erosion democratic institutions, the manifestation of authoritarian structures, or democratic backsliding. Generally, there seems to be a positive, statistical relationship between government's responsiveness to its citizens and government reliance on citizen taxation, making democratic transition more likely in countries dependent on citizen taxation (NRGI, 2015).

What some refer to as a curse is a phenomenon that is known and feared farbeyond the realm of natural resources: Bad policymaking.

Also, decision makers are also less involved in the needs and requests of its citizens if the government functions independent of them. Additionally, higher government control over natural resources tends to create a system of secrecy, which prevents accountability of financial mismanagement.

One African country that experienced almost a textbook example of the *rentier-state* is Equatorial Guinea, a small nation located in Central Africa. In the country's pivotal mo-

ment in the 1990s, a discovery of substantial oil reserves promised transformative economic changes, but paradoxically ended up damaging the country more than it benefited. Today, the country struggles with an economy heavily dependent on oil, making up a significant part of its GDP. While oil exports have fuelled an overall increase of GDP, the downside of overreliance on these natural resources has been the erosion of democratic institutions and an increase of authoritarianism (Sá and Rodrigues Sanches, 2021). Politically, Equatorial Guinea shares similarities with the

theory, characterized by prolonged rule under President Teodoro Obiang Nguema Mbasogo. With the majority of the oil resources laying in the hands of the president or his family, authoritarian governance and restricted political opposition have resulted in a lack of transparency and accountability, mirroring develop-

ments described by the *rentier-state* theory. Since the 1990s, the government was less reliant on taxation of its citizens and could function based on resource taxation, making it also less necessary to listen to political opposition. Thus, despite its oil wealth, the benefits have not been equitably distributed, leaving a significant portion of the population without tangible improvements in living standards or access to basic services (Sá and Rodrigues Sanches, 2021). Even though the overall GDP increased, so did inequality and

economic dependency. Setting the country up for economic collapse once it runs out of natural resource revenue.

Everything was paired with an increase in corruption, particularly in the management of oil revenues, contributing to economic disparities. In essence, Equatorial Guinea's experience very much reflects the complex dynamics of resource abundance and governance challenges witnessed in resource-rich African countries. While oil wealth has offered economic opportunities for some, the accompanying corruption, economic inequality, and rising authoritarianism underscore the necessity for mitigating policies and comprehensive strategies for sustainable development.

Similar to the Dutch Disease, these developments are in no means inevitable. Democratic backsliding can be prevented by effective governance, including increase citizen participation, transparency of government spending, and equitable distribution of wealth.

The Distinguishing Factor – Good Governance

It is important to consider that a recurring feature of the resource curse, be it the Dutch Disease or the *rentier-state*, is that it is avoidable. All countries might experience some degrees of negative consequences to resource wealth, but some seem to address them better than others. The differentiating factor between countries strongly affected by the 'curse' with countries that turned natural resource revenue into wealth and development is governance, particularly good governance (World Bank, 1992).

Good governance stands as a crucial factor in safeguarding nations against the problems posed by the resource curse. The effec-

tive management of these resources requires a comprehensive framework grounded in principles of transparency, inclusivity, economic diversification, adherence to the rule of law, and responsible social and environmental practices.

Central to good resource management is the imperative of transparency and accountability. Governments must establish transparent mechanisms governing the exploration, extraction, and sale of natural resources, demonstrating a commitment to publicly disclosing contracts, revenues, and financial transactions associated with resource extraction. This transparency not only fosters public trust but also serves as a deterrent against corruption. Consequently, robust accountability mechanisms are essential to handle the actions of public officials and institutions engaged in resource management, with independent audits and oversight bodies playing a pivotal role in ensuring the responsible use of revenues (UNODC, 2018).

Inclusivity is a foundational element of effective governance in the context of resource management. Involving stakeholders such as civil society, local communities, and non-governmental organizations in the decision-making process is essential. This inclusive approach addresses the diverse needs and concerns of various segments of society, fostering a sense of shared ownership and collective responsibility. Additionally, it avoids the loss of connection between the government and its citizens, when citizen taxation is no longer the main source of income in of a state (UNODC, 2018).

Economic diversification emerges as fundamental to mitigate the resource curse. Policymakers should prioritize diversifying the economy beyond immediate gains from

natural resources. Investments in education, infrastructure, and non-resource sectors contribute to the development of a sustainable and resilient economy. Additionally, countries should find domestic use of the suddenly cheap domestic resources, instead of selling all to foreign investors. Simultaneously, the establishment and responsible management of independent resource-wealth funds serve as a safeguard, enabling nations to save and invest resource revenues for long-term stability, providing a buffer against economic volatility and the eventual exhaustion of resources (Gelb, 2010).

A robust legal framework, underpinned by the rule of law, is essential for sustainable resource management. Governments should enact and enforce clear laws regulating the extraction, taxation, and overall management of natural resources. An independent judiciary is equally crucial, ensuring fair adjudication of disputes, upholding contractual obligations, and fortifying the broader legal infrastructure. Furthermore, social and environmental regulation safeguards counterbalance against potential negative impacts of resource extraction. Considering the effect of mineral extraction on the environment, implementation and enforcement of stringent environmental regulations are essential to mitigate ecological harm. Simultaneously, redistribution of resource revenues to community development programs develops local infrastructure, education, healthcare, and other essential services (UNODC, 2018).

Lastly, control of corruption is an integral component of the good governance framework. Governments should adopt and enforce policies to combat corruption in the management of resource revenues. This involves strengthening institutions responsible

for preventing and prosecuting corruption, alongside fostering a culture of accountability. Whistleblower protections further incentivize the reporting of malpractice, acting as a crucial deterrent against corrupt practices (UNODC, 2018).

Good governance serves as a guiding principle in navigating the complexities of natural resource management. Furthermore, it is important to mention that good governance is not an uncommon phenomenon among resource-rich, African countries. Even though many countries struggled to capitalize their natural resources sustainably, there is multiple examples of successful resource management. Next to the already mentioned Botswana, Namibia stands out as a notable example of avoiding the resource curse through effective governance practices. Blessed with substantial diamond and uranium resources, the country has implemented effective policies to capture these assets, while maintaining sustainable development. Key to this success has been a commitment to inclusivity, through a community-based resource governance. The government actively involves local communities in decision-making processes related to resource extraction, mitigating social tensions, and ensuring that the benefits of these resources reach a broader segment of the population (Schneegg and Kiaka, 2018). By prioritizing transparency, inclusivity, economic diversification, adherence to the rule of law, and responsible social and environmental practices, countries can unlock the transformative potential of their natural resources, fostering sustainable development and prosperity while mitigating the risks associated with the resource curse. Negative consequences of natural resource discoveries, like the rentier-state, are a real

threat to resource-rich countries, but there is empirical evidence suggesting that there is no unavoidable law that puts countries into their demise. What some refer to as a curse is a phenomenon that is known and feared far beyond the realm of natural resources: Bad policymaking.

Conclusion

In conclusion, the answer on whether natural resources are a curse or blessing for developing countries in Africa is complex. The resource curse narrative, as outlined by the Dutch Disease and the rentier-state, highlights the potential risks associated with the discovery of natural resources. Empirical evidence, particularly from resource-rich African countries like Nigeria and Equatorial Guinea, underscores the challenges of overdependence on resource exports, which led to economic imbalances, de-industrialization, or democratic erosion. However, amidst these challenges, good governance emerges as the distinguishing factor. The experiences of countries like Botswana and Namibia

demonstrate that effective resource management, grounded in principles of transparency, inclusivity, economic diversification, adherence to the rule of law, and responsible social practices, can mitigate the negative impacts of the resource curse. These countries have successfully avoided the Dutch Disease and maintained democratic resilience through effective policymaking. The resource curse is not an inevitable fate but rather a consequence of bad policy choices. However, this makes policy making ever more complex, since one policy could be successful in avoiding the resource curse in one country, while leading to its economic demise in another one. With the ongoing energy transition, natural minerals that had limited relevance until now are suddenly becoming the object of desire for many powerful bidders. Protecting one's own industry with regulation might help the economy to take-off in one country but could lead to even more dependency in others. For the better or the worse, there is no general law.

References

- Amundsen, I. (2017). Nigeria: defying the resource curse. *Corruption, natural resources and development: From resource curse to political ecology*, 17-27.
- Auty, R. (1994). Industrial policy reform in six large newly industrialising countries: The resource curse thesis. *World Development*, Vol.22, No.1, pp.11-26.
- Barczikay, T., Biedermann, Z., & Szalai, L. (2020). An investigation of a partial Dutch disease in Botswana. *Resources Policy*, 67.
- Corden, W. and Neary, J. (1982). Booming Sector and De-Industrialisation in a Small Open Economy. *The Economic Journal*, Vol.92, No.368, pp.825-848.
- Corden, W. (1984). Booming Sector and Dutch Disease Economics: Survey and Consolidation. *Oxford Economic Papers (pre-1986)*, Vol.36, No.3, pp.359-380.
- Egwaikhide, F. O. (1997). Import substitution industrialization in Nigeria: A selective review. *The Nigerian Journal of Economic and Social Studies*, 39(2), 183-203.
- Gelb, A. H. (2010). Economic diversification in resource-rich countries. In *Beyond the Curse*. International Monetary Fund.

Gylfason, T. (2001). Natural Resources, Education and Economic Development. *European Economic Review*, Vol.45, pp.847-859.

Hillbom, E. (2008). Diamonds or development? A structural assessment of Botswana's forty years of success. *The Journal of Modern African Studies*, 46(2), 191-214.

Lawrence, P. (2005). Explaining Sub-Saharan Africa's Manufacturing Performance. *Development and Change*, 36(6), 1121-1141.

Manzano Mazzali, O., & Rigobon, R. (2001). Resource Curse or Debt Overhang? (No. 8390). National Bureau of Economic Research, Inc.

Mien, E., & Goujon, M. (2022). 40 years of Dutch Disease literature: lessons for developing countries. *Comparative Economic Studies*, 64(3), 351-383.

NRGI: Natural Resource Governance Institute. (2015). *The Resource Curse: The Political and Economic Challenges of Natural Resource Wealth*

Otaha, J. I. (2012). Dutch disease and Nigeria oil economy. *African Research Review*, 6(1), 82-90.

Ross, M. (1999). The Political Economy of the Resource Curse. *World Politics*, Vol.51, No.2, 297-322.

Rostow, W. (1960) *The Stages of Economic Growth: A Non-Communist Manifesto*. Cambridge: Cambridge University Press. Chapter 2, "The Five Stages of Growth—A Summary," pp. 4-16.

Sá, A. L., & Rodrigues Sanches, E. (2021). The politics of autocratic survival in Equatorial Guinea: Co-optation, restrictive institutional rules, repression, and international projection. *African Affairs*, 120(478), 78-102.

Sachs, J. and Warner, A. (1995). Natural Resource Abundance and Economic Growth. National Bureau of Economic Research: NBER Working Paper Series, No.5398.

Schnegg, M., & Kiaka, R. D. (2018). Subsidized elephants: Community-based resource governance and environmental (in) justice in Namibia. *Geoforum*, 93, 105-115.

The Economist. (1977). The Dutch Disease. *The Economist*.

The World Bank. (1992). *Governance and Development*.

The World Bank. (1994). Expanding the measure of wealth: Indicators of Environmentally sustainable development. *Environmentally sustainable development studies and monographs series No.7*.

Townsend, R. (1995). Consumption Insurance: An Evaluation of Risk-Bearing Systems in Low-Income Economies. *The Journal of Economic Perspectives*, Vol.9, No.3, pp. 83-102.

UNODC: United Nations Office on Drugs and Crime. (2018). *What is Good Governance? Module Series on Anti-Corruption: Module 2 Corruption and Good Governance*.

Wallich, H. (1960). *Monetary Problems of an Export Economy: The Cuban Experience, 1914–1947*. Harvard: Harvard University Press.

Greetings from our contributors

friedrich 30

We represent interests



Founded in 2009, we have ever since been operating for our clients in Germany and beyond.

friedrich30 represents security and diplomatic interests around the world, including in countries with challenging political and security conditions.

Our company has four business areas:

- I. Political Lobbying
- II. Business Development
- III. Multi-track Diplomacy
- IV. Security & Protection from Economic Damage



Our Network – friedrich30 team members include former policemen, high-ranking intelligence officers, diplomats, government officials and IT-experts.



Locations – With offices in Berlin, Brussels and Mainz, our operating range covers Germany, the EU as well as selected countries around the world.



Contact us – info@friedrich30.com

We especially enjoy collaborating with motivated students and supporting think tanks in their important work at the focal point of policy and research!



Geostrategic aircraft carrier: Gotland's role in NATO's eastern flank



Jonas Pfeufer [in](#)

Jonas is interested in challenging environments where he can learn and expand his knowledge about global politics. His main academic interest lies in German and European Foreign and Security Policy. He is also very interested in the Politics of European Migration. He moreover worked on projects focussing on Germany's Role in the EU and Energy Security.



Marijn Johannes Leo Rijk [in](#)

Marijn is a driven 3rd year International Public Policy student from the Hague. Formerly he was a youth representative for The Dutch National police. Currently he is most active in the participation system of his home university.

Introduction

"He who sits in Gotland controls large parts of the Baltic Sea." (O'Connor et al., 2022, p.1)

This quote by Rutger Banholtz, former head of the Swedish Home Guard, captures the significance of the island of Gotland. Continuing to emphasise the importance of Gotland, he added:

„Gotland is an aircraft carrier“ (O'Connor et al. 2022, p.1).

Gotland has always been militarily contested. In the past, Gotland already saw combat during the Viking age. More significantly, perhaps, Tsarist Russia occupied Gotland for a century in 1808. Sweden withdrew its troops after the collapse of the Soviet Union but redeployed them in 2018 in order to combat potential Russian aggression.

The small island with only 60.000 inhabitants gained new significance when Russia invaded Ukraine in February of 2022. The Invasion has caused Sweden and Finland to rethink their long-standing opposition to NATO membership. Today, 28 out of 30 NATO Members have given their support for Swedish Membership, only the approval of Hungary is missing for various reasons that go beyond the scope of this paper to analysis.

Since Sweden will likely constitute the next NATO Enlargement, the focus of this is on Gotland and its geostrategic importance. Discussions on the importance of islands are ongoing. Literature is rarely available. In order to make findings on the geostrategic importance of islands, the research question defines itself as: „Do Islands work as deterrents in conflicts?“. The findings in the case of Gotland will be used to make generalised points about the use of islands as factors of

deterrence. To answer the research question, the structure of this article is as follows: The article starts with the introduction, Chapter 1 provides a literature review on islands and regional security, Chapter 2 presents the hypothesis, and Chapter 3 presents the methodology used in this paper. Chapter 4 presents a short historical background, and Chapter 5 presents the analysis. Chapter 6 closes with a discussion.

2. Literature Review

2. A Rational Actor Model

The rational actor model is one of the best-known theories for explaining foreign policy approaches. Political scientist Alex Mintz (Mintz, 2010, p.64):

"The rational actor model is a linchpin of FPDM".

The model is particularly suitable for explaining the actions of states in times of crisis (Mingst, 2003). This theory assumes that utility maximisation is the goal of every state (Alden, 2017). This is based on a step sequence that proceeds as follows: A decision maker decides which goal to prioritise over other goals. Various options are then identified and analysed. After a cost-benefit analysis, in which the consequences are weighed up, the options are listed. The options that involve the most costs are at the bottom of the list. At the top are the options that involve the least costs. This is the option that is ultimately selected (Slantchev, 2005).

When actors evaluate the situation incorrectly, mistakes happen. This can lead to unintended consequences that are not anticipated by the actors. When uncertain decisions are made, an action can produce results with one probability or another. Uncertainty here

distinguishes between under-certainty due to the environment, in that there is little information about it and strategic uncertainty, which arises from the rational decisions of various actors (Slantchev, 2005). Individuals as well as are rational and pursue their own interests (Alden, 2017).

Rationality is at the core of many theories about the behaviour of states. This article considers states to be rational actors. The next chapter introduces deterrence theory, building on the assumption of rationality.

2. B Deterrence Theory

Lawrence Freedman defines Deterrence as: “concerned with deliberate attempts to manipulate the behaviour of others through conditional threats.” (Beattie, 2010, P.19 quoted after Freedman, 2004, P.6).

The challenge of deterrence is about discouraging states from taking unwanted actions, especially military aggression (Mazarr, 2018). By definition, a state acts towards discouraging or restraining another state from taking an unwanted action, like an armed attack. It involves efforts to stop or prevent actions (Mazarr, 2018). In the literature on deterrence, it is distinguished between “Deterrence by denial” and “Deterrence by punishment”.

Deterrence by denial works to make an action unlikely to succeed, denying a potential aggressor the confidence it needs to achieve its goals. At their extreme, a strategy like this can face an aggressor with the risk of extreme loss.

Deterrence by punishment threatens severe punishment such as nuclear escalation or economic punishment. An aggressor might also doubt the defenders willingness to impose certain punishments: “An aggressor might also convince itself that the defender will hesitate to

follow through on threats to punish because of attendant risks, such as further escalation, that the deterring state may not be willing to run once the moment arrives.” (Mazarr, 2018). In this article we use Deterrence by punishment, mainly economic punishment, when referring to deterrence in general.

In order to achieve successful deterrence, there are three conditions to consider. Those are 1) Level of Aggressor Motivation, 2) Clarity About the Object of Deterrence and Actions the Defender Will Take and 3) Aggressor Must Be Confident that Deterring State Has Capability and Will to Carry Out Threats (Mazarr, 2018). These Conditions will be discussed down below.

1) Level of Aggressor Motivation: The Intentions of the aggressor are the beginning point for success or failure of success of an analysis of deterrence.

2) Clarity About the Object of Deterrence and Actions the Defender Will Take: The defender has to be as clear as possible about what it is trying to deter as well what it is going to do when the threat is ignored.

3) Aggressor Must Be Confident that Deterring State Has Capability and Will to Carry Out Threats: The potential aggressor has to believe that the defender has the capability and will do what it threatens (Mazarr, 2018).

3. Hypothesis

The hypotheses derive themselves from the theories that were discussed in the previous chapters.

Hypothesis H1:

Gotland has high strategic value and can act as deterrence.

Nullhypothesis H2:

Gotland has no strategic value and cannot work as deterrence.

4. Methodology

In order to make generalized findings on islands, we should establish why islands in general are of strategic importance:

1) Islands play important roles such as warning and surveillance posts,

2) Logistic bases for operations on the mainland and preventing intrusion from hostile ships.

3) Countries attach economic, cultural and geographical importance to islands as well as geostrategic aspects (Kazumine, 2013).

A Case Study is defined as an intensive study of a single unit that aims to generalize across a larger set of units (Gerring, 2004). This method is understood as a way to define cases, not to analyze them (Gerring, 2004). As Case Study can be defined as:

„an intensive study of a single unit for the purpose of understanding a larger class of (similar) units.“

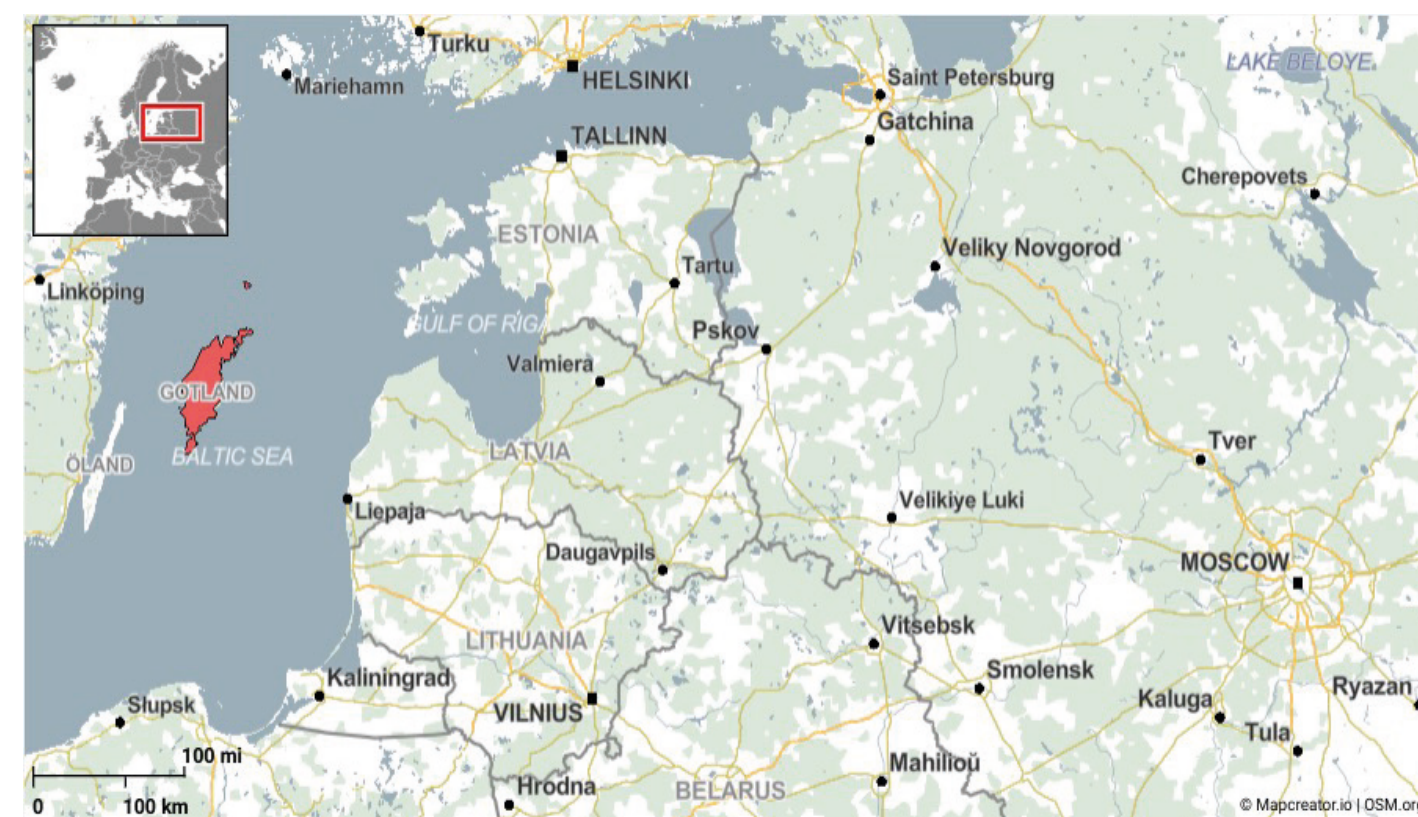
A unit is a spatially described phenomenon, like a nation state, a revolution or an

election that are observed at a single point in time (Gerring, 2004).

A case study can provide a nuanced, empirically rich, holistic account of specific phenomena. The case study might be especially appropriate to for phenomena that simply less amenable to more superficial measures and tests as well those for which our reasons for understanding or explaining them as subjective (Willis, 2014).

5. Historical Background of Gotland

Gotland is Sweden's largest island, and it is strategically positioned in the Baltic Sea. The island lies just 300 km (186 miles) from the home of Russia's Baltic Fleet in the Russian exclave of Kaliningrad, sandwiched between Lithuania and Poland (O'connor & Filks, 2022). The Swedish island has been inhabited since 7200 BC and consequently enjoys a rich medieval history, with Gotlands capital Visby at its heart. During these medieval days Visby rose to be the most important Hanseatic city on the Baltic sea (Academic accelerator, n.d.).



Strategic location of Gotland (Mapcreator, 2024)

Since Gotland was inhabited long before it gained this important Hanseatic position, it raises the question: inhabited by whom? After being subdued to Swedish rule in 1645 with the signing of the treaty of Bromsebro, Gotland was held by a plethora of peoples and nations (Academic accelerator, n.d.). These include, but are not limited to, viking cultures, the Danes (who fortified Visby), and the order of the Teutonic knights who invaded the island in 1398 (Academic accelerator, n.d.). This historical geopolitical interest the island carries, comes forth from the dependence of the surrounding nation states' access to the Baltic Sea.

Incursion:

A sudden and aggressive entry or invasion of a place or territory.

At the end of the previous century tensions rose around the regional role of Gotland in assuring access to the Baltic sea. This came to be due to an unprecedented increase of soviet submarine activity in the region. To be more precise, during the period of the first of January 1980, until first of January 1988 violations of Swedish territorial waters by soviet submarines increased from five violations to thirty or more violations in 1988 (McCormick, 1990). These Soviet provocations of the past, which took place along the entirety of the Swedish coast and Swedish restricted waters often led to major inconveniences for neutral Sweden. Sweden's neutral position, between the two global poles of the era in the case of the Russian submarines, was especially complicated in the light of these numerous soviet backed incidents (McCormick, 1990).

The fall of the Soviet Union in the early 90's did not bring an end to the cat and mouse game between the Swedish armed forces and the Russian submarines. The most recent known incursion by an unidentified submersible vessel (or vessels) took place in 2014. During the span of a week, public sightings of an unknown submersible vessel started to stream into the Swedish intelligence services. Despite these sightings, after a week of searching, the Swedish army had to abandon its search for its covert foe. The Swedish government, which is known for its transparency stated "We say with confidence that this is not a larger, conventional submarine" (Groll, 2014). This could indicate that the submarine similarly to its soviet predecessors was collecting intelligence on Swedish military operations and assets as occurred on a large scale in the late days of the Soviet Union (McCormick, 1990).

6. Analysis

Sweden and thus Gotland, receives special attention due to Sweden's upcoming NATO accession. Until recently, two countries were still in the way of Sweden's NATO membership. At the 2023 NATO Summit held in Vilnius, Lithuania last July, these two remaining countries: Hungary and Türkiye, both expressed their commitment to progress the approval of Sweden through their parliamentary sessions (NATO, 2024). Since then, Turkey has ratified the membership of Sweden. There is however an underlying motivation for Turkey's Ratification of Sweden, Turkey now expects The United States to begin working on securing the U.S. Congress' endorsement for a sale of \$20 billion worth of F-16 fighter jets to Turkey (Reuters, 2024). This leaves only Hungary standing in the way of Sweden's membership to the NATO alliance. It leads

one to think whether Hungary is also bargaining under the table, with Sweden's NATO accession as collateral? Since Hungary's ruling party Fidesz has a majority in the parliament the whole ordeal could seemingly be solved without any major obstacles in the way. The reason for Hungary's political will roots itself in dissatisfaction about Swedish criticism of Prime Minister Viktor Orbán over the perceived erosion of rule of law. Orbán denies such erosion. Unlike Turkey, Hungary does not have a list of demands, but says grievances need to be addressed before it can ratify Sweden's accession to NATO (Johnson et al., 2023). More recently Orbán also said he and Swedish Prime Minister Ulf Kristersson have taken steps to "rebuild trust" between the two countries, without specifying what those steps were (Zimmermann, 2024).

6. A Security Challenges and Threats

The now apparent threat to Gotland is indicated by the development of soviet subma-

rine activity in the Gotland area which continued into the modern day and age with the 2014 incident described above. In contrast to the narrative of the Russian Federation, these subs are not merely lost or off track, but appear to be gathering intelligence on Swedish coasts similarly as happened in the past. Tension around Gotland is not limited to the nautical domain, the greatest aerial provocation came on March 29, 2013. Two Tupolev Tu-22M3 nuclear-capable bombers, escorted by four Sukhoi Su-27 jet fighters, came within 24 miles of Gotland, on dummy bombing runs aimed at the headquarters of Sweden's signals intelligence agency, and at a key military command bunker. Sweden's part-time air force, having been given the weekend off for the Easter holiday, was helpless; Gotland's air defenses were at this time not active (Lucas, 2023).

According to Karelis Neretneiks, A former Swedish Major general "If the Russians were to occupy parts of Sweden that would create some kind of ... 'wall' that NATO would have



Swedish Armed Forces and US Marines practise defending Gotland (Flickr, 2022)

to fight its way through before being able to help its Baltic members". He added that "With Sweden in NATO this 'wall' would more or less become a 'road' to help the Baltic States instead" (O'Connor & Filks, 2022). Geographically Gotland is at the frontier of this "road" to the Baltic States. The former American general of US Army forces in Europe described Gotland as a key location during his on-duty visit to the island in July 2017. Addressing the Swedish soldiers, he explained, "You have a strategically very important task here. I do not think there is any island anywhere that is more important." (Wieslander & Adamson, 2023).

6. B Defense Infrastructure and Capabilities

A recent resurgence of military activity on Gotland, and a strong will to conduct military exercises as a NATO partner and

future member puts actions behind the words of military decision-makers. Last year on April 17, a battalion of seven hundred US soldiers rolled over the Swedish border from Norway, marking the start of the largest Swedish military exercise in more than twenty-five years. This training operation, nicknamed "Aurora 2023", ran until May 11, 2023 and consisted of more than 26,000 soldiers from 14 countries (Wieslander & Adamson, 2023). Aurora took place across all domains and Swedish territory, but it had a particular focus on southern Sweden and the strategically important island of Gotland in the Baltic Sea. In 2022 a previous mission with Gotland at the heart of its military exercise took place. This time by the name of "Baltops 2022". In

this particular exercise, Sweden's Gotland served as a training ground for several air insertions and amphibious landings which were conducted by the USS Kearsarge Amphibious Ready Group-22nd Marine Expeditionary Unit and Swedish counterparts (US.NAVY, 2022). At sea, ships fine-tuned tactical maneuvering, anti-submarine warfare, live-fire training, mine countermeasures operations, and replenishments at sea. BALTOPS 22 involved forces from 16 countries, with over 45 ships, more than 75 aircraft, and 7,500 personnel participating.

The exercise ended on 17 June 2022. The drill was led by the US Navy's Sixth Fleet, headquartered in Italy, with Naval Striking and Support Forces NATO (STRIKFORNA-TO), based in Portugal, implementing command and control of the exercise (NATO, 2022).

In the same year (2022) the Swedish government decided

to invest 1.6 billion Swedish Króna (approximately \$160 million) in strengthening military infrastructure on Gotland (Wieslander & Adamson, 2023). When it comes to the aforementioned air provocation, it is important to mention that air defences have been reactivated on Gotland. This was confirmed by a press release coming from the headquarters of the Swedish army. One of the aerial defence systems called "Launch System 23" was installed on Gotland around March 2021 (Försvarsmakten, 2021).

7. Conclusion

"Si vis pacem, para bellum"

In the case of the island of Gotland the seemingly paradoxical saying "Si vis pacem,

para bellum" meaning: "if you want peace, prepare for war" is a relevant source of wisdom. This Roman-era aphorism has come to mean that if confronted with an aggressive adversary, build your military strength so that the adversary knows that, if it launches an attack, it will receive a punishing response — and will therefore be discouraged from pursuing such an attack (Brookings, 2023). The strategy derived from the saying can also be called "deterrence", as was extensively discussed in the literature review earlier in this paper. Aspects of deterrence strategy can be said to heavily apply to Gotland, with the redeployment of troops on the island in 2018, reactivation of anti-aircraft systems in 2023 and not to forget: large-scale military exercises in collaboration with NATO. Due to these occurrences and Sweden's explicit strategy of deterrence on Gotland and beyond, Sweden can no longer be said to uphold its former neutrality policy. This further supports Sweden's motivation to become a full NATO member state.

This sort of deterrence development is not unusual in the area. The idea of achieving peace by preparing for war is something that an increasingly growing group of states in the direct vicinity of the Russian Federation adopted. One only has to look at the map and note that those member states who contribute to the agreed-upon NATO 2% of GDP guideline lie closer or neighbor with Russia. The 2% guideline can also be interpreted as an indicator of a country's political will to contribute to NATO's common defense efforts. Similar growth in defence spending particularly in the case of the island of Gotland, in accordance with the rational actor theory, saw a tremendous increase. This amount is the before mentioned 160 million, and is on its own a sign that rational actor Sweden em-places an enormous strategic value on the Island of Gotland "a geostrategic aircraft carrier".

References:

- Academic accelerator. (n.d.). Gotland: Most Up-to-Date Encyclopedia, News & Reviews. Academic Accelerator. Retrieved February 4, 2024, from <https://academic-accelerator.com/encyclopedia/gotland>
- Alden, Chris (2017): Critiques of the rational actor model and foreign policy decision making. Hg. v. Oxford University Press. Oxford Research Eyclopedia. Online verfügbar unter https://eprints.lse.ac.uk/84466/1/Alden_Critiques%20of%20rational%20actor_2017.pdf
- Beattie, Troy J. (2010): Conventional deterrence and the Falkland Islands conflict. NAVAL. Online verfügbar unter https://upload.wikimedia.org/wikipedia/commons/c/cf/Conventional_deterrence_and_the_Falkland_Islands_conflict_%28IA_conventional-dete109455357%29.pdf
- Brookings. (2023, October 16). If you want peace, prepare for war — and diplomacy | Brookings. Brookings Institution. Retrieved February 21, 2024, from <https://www.brookings.edu/articles/if-you-want-peace-prepare-for-war-and-diplomacy/>

FÖRSVARSMAKTEN. (2021, March 17). Gotland air defence is reinforced - Swedish Armed Forces. Försvarsmakten. Retrieved February 20, 2024, from <https://www.forsvarsmakten.se/en/news/2021/03/gotland-air-defence-is-reinforced/>

Gerring, John (2004): What Is a Case Study and What Is It Good for? Hg. v. American Political Science Review. Boston University (Nr. 2). Online verfügbar unter <https://indiachinainstitute.org/wp-content/uploads/2017/05/4B-What-Is-A-Case-Study-Gerring-2004.pdf>

Groll, E. (2014, October 24). Surprise! That Russian Submarine in Stockholm Got Away From the Swedish Navy. Foreign Policy. Retrieved February 17, 2024, from <https://foreignpolicy.com/2014/10/24/surprise-that-russian-submarine-in-stockholm-got-away-from-the-swedish-navy/>

Johnson, S., Hayatsever, H., Kauranen, A., & Macfie, N. (2023, April 5). Why are Turkey and Hungary against Sweden joining NATO? Reuters. Retrieved February 20, 2024, from <https://www.reuters.com/world/europe/after-finland-joins-nato-why-is-turkey-making-sweden-wait-2023-04-04/>

Kazumine, Akimoto: The Strategic Value of Territorial Islands from the Perspective of National Security. Hg. v. Review of Island Studies. Online verfügbar unter <https://www.spf.org/islandstudies/transfer/research/docs/a00008r.pdf>

Lucas, E. (2023, July 2). Gotland: NATO's Baltic Bastion. CEPA. Retrieved February 20, 2024, from <https://cepa.org/article/gotland-natos-baltic-bastion/>

Lucas, Edward (2023): Gotland: NATO's Baltic Bastion. Hg. v. CEPA. Online verfügbar unter <https://cepa.org/article/gotland-natos-baltic-bastion/>

Mazarr, Michael J. (2018): Understanding Deterrence. Rand Corporation. Online verfügbar unter https://www.rand.org/content/dam/rand/pubs/perspectives/PE200/PE295/RAND_PE295.pdf

McCormick, G. H. (1990, January). Stranger than fiction [Soviet submarine operations in Swedish waters]. United States Air Force.

McCormick, Gordon H. (1990): Stranger than fiction. Soviet Submarine Operations in Swedish Waters

Mingst, Karen (2003): Essentials of International Relations. Vol. 2: W. W. Norton & Company, Inc.

Mintz, Alex; DeRouen, Karl [JR.] (2010): Understanding Foreign Policy Decision Making: Cambridge University Press

NATO. (2022, June 13). Swedish and US forces practise defending Gotland during BALTOPS 22. NATO Multimedia. Retrieved February 20, 2024, from <https://www.natomultimedia.tv/app/asset/666002>

NATO. (2024, January 17). An Update: Sweden's Journey to NATO Membership. NATO's ACT. Retrieved February 20, 2024, from <https://www.act.nato.int/article/update-sweden-journey-nato/>

NATO. (n.d.). Topic: Funding NATO. NATO. Retrieved February 21, 2024, from https://www.nato.int/cps/en/natohq/topics_67655.htm

O'connor, P., & Filks, I. (2022, May 10). Sweden's Gotland at crossroads of history as NATO decision looms. Reuters. Retrieved February 20, 2024, from <https://www.reuters.com/world/europe/swedens-gotland-crossroads-history-nato-decision-looms-2022-05-10/>

O'Conner, Phillip; Filks, Ilze (2022): Sweden's Gotland at crossroads of history as NATO decision looms. Hg. v. Reuters. Online verfügbar unter <https://www.reuters.com/world/europe/swedens-gotland-crossroads-history-nato-decision-looms-2022-05-10/>

Reuters. (2024, January 26). Turkey's Erdogan signs off on Sweden's NATO membership. Reuters. Retrieved February 20, 2024, from <https://www.reuters.com/world/middle-east/turkeys-erdogan-signs-off-swedens-nato-membership-ratification-2024-01-25/>

Swistek, Göran; Paul, Michael (2023): Geopolitics in the Baltic Sea Region. Hg. v. Stiftung Wissenschaft und Politik. Online verfügbar unter <https://www.swp-berlin.org/10.18449/2023C09/>, zuletzt geprüft am 18.02.2024.

Traub, Alex (2022): Newly Alarmed Sweden Concludes Military Drill With U.S. Marines. Hg. v. New York Times. Online verfügbar unter <https://www.nytimes.com/2022/06/12/world/europe/us-sweden-military-drill.html>, zuletzt geprüft am 18.02.2024.

US.NAVY. (2022, June 17). BALTOPS 22, the premier Baltic Sea maritime exercise, concludes in Kiel. Navy.mil. Retrieved February 20, 2024, from <https://www.navy.mil/Press-Office/News-Stories/Article/3066830/baltops-22-the-premier-baltic-sea-maritime-exercise-concludes-in-kiel/>

Wieslander, A., & Adamson, E. (2023, April 26). A glimpse of Sweden in NATO: Gotland could be a game-changer for Baltic defense. Atlantic Council. Retrieved February 20, 2024, from <https://www.atlanticcouncil.org/blogs/new-atlanticist/a-glimpse-of-sweden-in-nato-gotland-could-be-a-game-changer-for-baltic-defense/>

Zimmermann, A. (2024, February 17). Hungary can ratify Sweden's NATO bid this spring, Orbán says. POLITICO.eu. Retrieved February 20, 2024, from <https://www.politico.eu/article/hungary-viktor-orban-sweden-nato-bid-this-spring/>



The Effect of Double Tax Treaties on Foreign Relations



Leon Duvinage 

After studying law in Munich, Leon Duvinage is currently studying International and European Tax Law in Maastricht. During his studies in Munich, he worked for a member of the Bundestag. He focuses on tax policy and public finance.

A) Introduction

Tax treaties have existed for more than 100 years. While earlier often overlooked by the international public, the matter has reached a broader audience due to the recent discoveries of tax avoidance by Multi-National Enterprises (MNEs) and the following BEPS (Base Erosion and Profit Shifting) project, by which tax avoidance and distributive problems regarding the increased digitalisation are addressed. Additionally, Russia's suspension of Double Tax Treaties (DTT) with nations that imposed sanctions has shown the public that some states see DTT as an instrument for geopolitical influence (Nautiyal & Tiwari, 2023). But other nations intertwine tax treaties with other political concerns as well. The US does not grant unilateral benefits to taxpayers if it has, e.g. severe relations with the other countries where the taxpayers are active (United States IRC § 901(j)). China, which has signed over 100 tax treaties (Christensen & Hearson, 2022), is said to challenge international tax rules and try to prevent its companies from foreign taxation (Christensen & Hearson, 2022) by prioritising sovereignty and participating only on its terms (Christensen & Hearson, 2022). Those aspects show that while taxation is sometimes seen as merely the bureaucratic side of public finance, there might be a broader political impact. It is time to look at DTT, the question of what they are used for, and how this can influence international diplomacy besides sending a message by terminating them. This article will examine whether tax treaties are an overlooked aspect of international diplomacy or merely a tool for bureaucrats. At first, it will explain what DTTs are, then examine their (expected) effects before addressing

their potential impact on foreign policy. Before a conclusion, recent changes in the international tax regime are discussed.

B) What are Double Tax Treaties?

DTTs are treaties between two or more states. (Even though there is a multilateral tax treaty between the Nordic countries (Helminen, 2014).) They were initially designed to tackle the problem of Double Taxation (DT). This problem can arise as states often tax residents based on their worldwide income and non-residents based on their domestic income. To prevent tax rates of up to 75 % (see e.g. § 32a I 2 Nr. 5 German EStG and § 33 I 1 Austrian EStG) due to an accumulation of the rates or a miscoordination regarding the qualification of the tax subject or object, the contracting states divide their existing taxing rights on the income. Double Tax Treaties are, therefore, limiting the taxing rights of the contracting states. They do not create new taxing rights (Lang, 2021). The treaties are usually based on a Model Tax Convention (MTC), mainly the OECD MTC (Lang, 2021). MTCs are, as the name indicates, a model for tax treaties. They strive to form a common ground for all the countries included in the draft of the MTC to make the subsequent bilateral negotiations between them easier. Other important conventions are the UN Model Convention (United UN, 2018) and the US Model Convention (Treasury, 2016). Since the OECD MTC is designed to consider the economic situation between developed, or capital-exporting, countries, the UN designed its MTC to take into account the economic situation of developing countries. It provides for more extensive taxation in capital-importing countries. Due to the widespread use of those conventions, other MTCs that go in different

directions lack acceptance. After rejecting treaties for a long time to protect its tax base, Columbia tried to enter the world of tax treaties with its own MC, which was ultimately rejected as a base for negotiations by other countries (Lang et al., 2012). That shows the importance not just of existing structures in the international tax regime, but also of the achieved and commonly accepted solutions.

As they all stem from the OECD MTC, they all usually have the same content: The personal and material scope is followed by definitions. After that, the taxing rights on the specific types of income (e.g. interest, royalties, dividends, business income, or employment income) are divided between the contracting states. They are divided between a “resident state” and “the other state” (informally referred to as the source state). It is important to remember that both countries are the “resident state” as the “other state”, depending on the flow of the transaction at hand. The following method article addresses how the states are restricted in their taxing rights if they are required to provide relief from double taxation. There are two main methods for avoiding double taxation: The credit method, by which the foreign tax is credited to the domestic tax, and the exception method, by which foreign income is excluded from the domestic tax base. The treaties are then usually ultimately concluded by rules concerning arbitration, non-discrimination, and exchange of information. Those regulations, which have lived in the shadows for a long time, are increasingly moving into the spotlight of public debates, as they are an essential factor in tackling tax avoidance.

It is also important to remember that it is first the tax administration and then the courts of each contracting state that decide about the interpretation of tax law. Even though some

DTTs provide for the possibility of a mutual agreement procedure and arbitration, these two dispute resolution mechanisms are only sometimes helpful to the taxpayer (Pistone, 2020). The mutual agreement procedure sometimes even ends up being a negotiation between the governments of the contracting states, not about the law but about who receives the taxing rights (Lang, 2021). Hitherto, there is no superior oversight of the state’s compliance with tax treaties or their interpretation. (Lang, 2021)

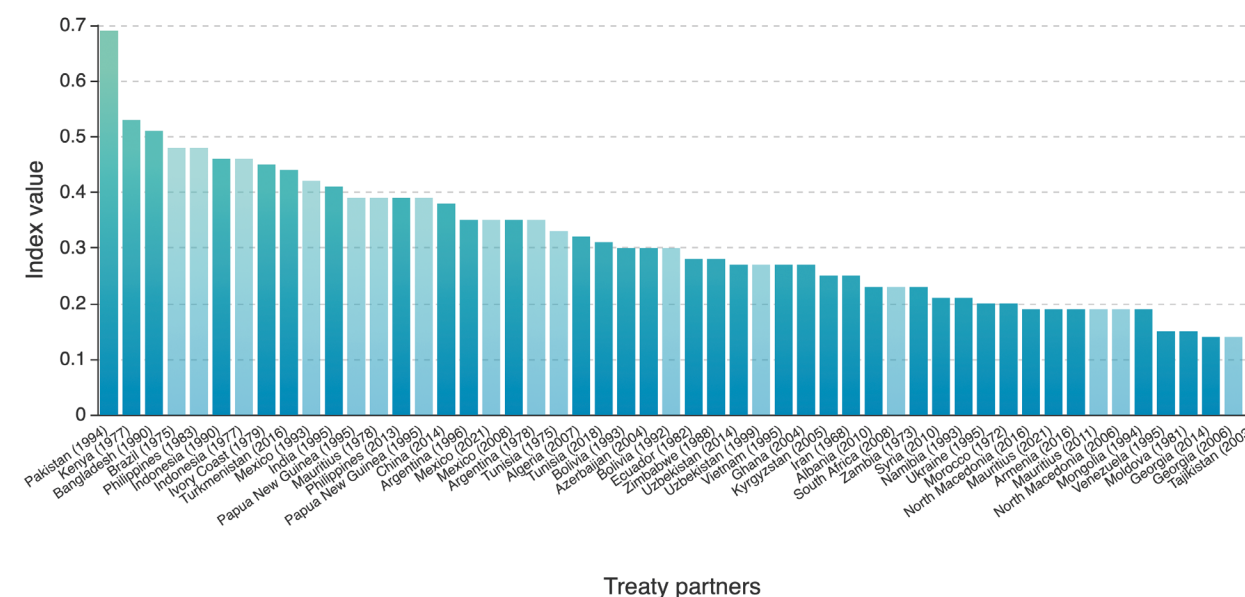
C) What are the Effects of Having Double Tax Treaties?

As mentioned, the main effect of DTT is usually described as preventing double taxation and fostering cross-border economic relations (Lang, 2021). The assumption that DT is harmful and should be avoided is a principle in the international tax regime, as it is in the national interest of all countries (Dagan, 2000). The norm is that residence countries yield primary taxation to the source (Ring, Winter 2007). The desired effect of reducing DT is minimising the cost of businesses by reducing interest, royalty, and dividend taxation. Additionally, an international exchange of labour is promoted.

Double Tax Treaties:

Treaties between two states by which the states restrict their taxing rights and thereby avoid double taxation. Whether a treaty grants more taxing rights to the state where the taxpayer is a resident or the other state can have a serious impact on the states’ revenue.

Index of overall source taxing rights: treaties signed by Germany



Index of Overall Source Taxing Rights. Includes all coded clauses that relate to the balance of taxing rights. It gives a high-level overview of the treaty.

treaties.tax - CC BY 4.0

But to be more precise, DTTs usually solve a coordination problem (Hearson & Prichard, 2018). The main reason for double taxation is that the taxation of residents' worldwide income and the domestic income for non-residents is also addressed unilaterally by the resident state. The resident state usually waives its taxing right for the foreign income of residents if this income is also taxed abroad (Eg Germany by § 34c EStG). Therefore, DTTs usually only resolve the issue of double taxation in special cases where the qualification is disputed. They also decide how it is avoided, thereby allocating taxing rights (Brooks & Krever, 2015).

The traditional view on how the taxing rights are divided has been challenged in recent years. The BEPS Project has started to shift the focus to the source jurisdictions. With this project, started in 2013, the OECD tries to tackle base erosion and profit shifting, as well as the new distributive questions that arise from the digitalisation of the economy, by establishing a new division of taxing rights (OECD,

2021). Additionally, China has tried to gain more taxing rights over foreign companies in its consumer market in recent years, which India and South Africa supported (Christensen & Hearson, 2022).

With China a powerful new player emerged that challenges the limited market taxation in its own jurisdiction (Christensen & Hearson, 2022). On the other hand, China is pushing for limited source taxation in foreign jurisdictions, usually less developed countries, where it is seen as a resident state (Christensen & Hearson, 2022). This double-faced approach is complemented by its push for “location-specific advantages” (Hearson & Prichard, 2018), by which China essentially tries to enhance the value assumed to be created in a country for tax purposes. It is trying to cherry-pick the advantages that suit its interest the best in each case without following a convincing line that other countries could follow completely. As an argument, it can primarily provide only its economic power, not a clear reasoning.

Some often-overlooked aspects of DTT are the increased certainty, stability, and administrability – in short: reduction of the bureaucratic burden (Dagan, 2000) - that accompany the treaties. Each state can collect the taxes it finds easier to collect due to an existing link in the respective country that allows enforcement (Dagan, 2000), e.g. the presence of an individual or property. Standardised systems reduce transaction and enforcement costs (Dagan, 2016).

Furthermore, cooperation involves the exchange of information between the contracting states (even though criticised as hard to enforce (Dagan, 2000)) and mechanisms for dispute resolution. The exchange of information can provide the respective states with the information necessary to establish and collect tax claims.

The importance of cooperation is underlined by the fact that the denial of cooperation is even seen as a punishment (Brodzka & Garufi, August 2012).

Another advantage of DTT is that they require political contact with a country (Reese, December 1987). As being said, China is trying to exploit this aspect. It founded the Belt and Road Initiative Tax Administration Cooperation Mechanism (BRITACOM) for tax administration (Christensen & Hearson, 2022), which is intended as a further alternative for Western institutions (Christensen & Hearson, 2022).

For the US, diplomacy is an important aspect as well. That contact between DTT partners in its preliminary stage regularly expands over the pure negotiation of the treaty. Diplomatic contact with a country is also necessary before declaring it a special tax regime and denying certain treaty benefits (Christians & Ezenagu, 2016).

The following example (Baker et al., 2011) illustrates the importance of good diplomatic ties with other countries in collecting debts.

Since the 1990s, many farmers have left the Netherlands to seek their luck in countries with better economic conditions. Often, they left open a high tax bill. This put the Netherlands in a situation where they tried to invoke the mutual assistance clauses in their tax treaties with the respective countries. Those, on the other hand, were not too keen to help because of the now very one-sided use of mutual assistance, even though it was, in theory, reciprocal. Due to diplomatic efforts, the Netherlands was able to propose and execute an option that only required the minimum effort of the requested state. By this approach, the Netherlands ultimately recovered a very high rate of 90 % of the claims. (Baker et al., 2011)

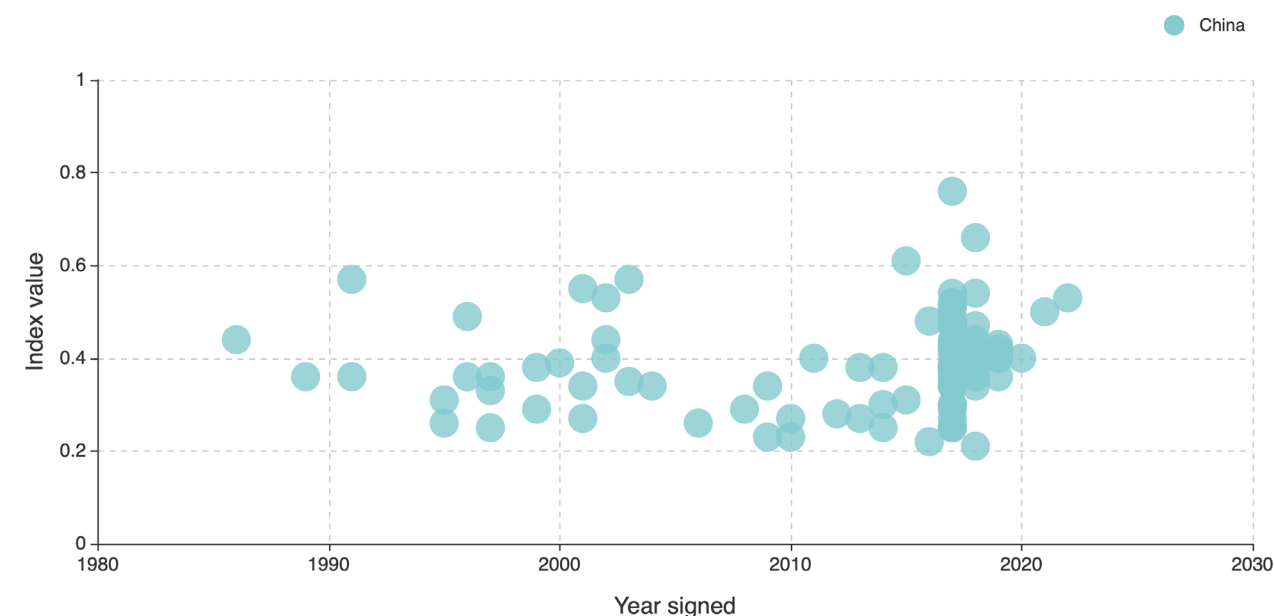
Furthermore, DTT come along with prestige. The loss of international recognition is a soft law instrument that can be politically used (Brodzka & Garufi, August 2012).

That brings us to the question of whether to achieve the aforementioned goal (prevention of double taxation, economic growth, and diplomatic contact), it is better to use a DTT or to act unilaterally.

In general, sufficient unilateral measures exist to prevent the majority of double taxation cases (Baker, 2014; Dagan, 2000). Therefore, DTTs provide for coordination between the contracting states about who gives up their taxing rights.

But a big problem remains. The interests of capital exporting and capital importing countries divert (Graetz & O'Hear, March 1997). While the exporting countries are more interested in taxation in the resident states, the capital importing countries are more interested in taxation in the other, or "source" state.

Index of overall source taxing rights



Index of Overall Source Taxing Rights. Includes all coded clauses that relate to the balance of taxing rights. It gives a high-level overview of the treaty.

treaties.tax - CC BY 4.0

As a significant capital-exporting state, laws to avoid double taxation were established in the US because fairness towards the taxpayer was more important than losing revenue (Graetz & O'Hear, March 1997). The relief of double taxation was included in a bill to encourage investment in Europe in general (Graetz & O'Hear, March 1997). The primary objective of the US lies in the collection of US tax on US-sourced income (Graetz & O'Hear, March 1997).

Capital-importing countries, in contrast, are more interested in taxation at the source or no taxation to enhance Foreign Direct Investment (FDI) (Dagan, 2000), as, for example, the negotiation process of Zambia's DTT has shown (Hearson, 2022). Often, they don't even have comprehensive taxes on income (Christians, 2003), or don't effectively enforce them (Christians, 2003). The DTT they favour contains tax-sparing clauses that are supposed to facilitate foreign direct investment (Navarro, 2021). Developing countries often provide tax incentives. The

tax-sparing clauses ensure that those incentives are not eradicated by DTT (Navarro, 2021). This is diametrically opposed to the fact that the effect of tax-sparing clauses, and even of DTT, is unclear (Christians, 2003; MacDaniel, 2003; Navarro, 2021). The necessity of DTT, at least for developing countries, is therefore sometimes denied (Ring, Winter 2007). With a DTT, a smaller portion of the taxes would go to the host countries since the host countries' tax rate is reduced (Dagan, 2000). The high costs connected with negotiating and ratifying a treaty would not be worth the effort (Baker, 2014). The DTT could be seen as a signal that the country is playing by the international rules (Ring, Winter 2007), may even be the most crucial aspect for developing countries (Dagan, 2000). That fact is, however, not seen as relevant enough to influence FDI (Baker, 2014).

Nevertheless, FDI is regularly promoted as an effect of DTT (Christians, 2003) and the objective of developing countries, e.g.

Zambia (Hearson, 2022). Additionally, one may remember that FDI is not the only possible benefit of a treaty.

The lower threat of double taxation should not distract from the fact that cooperation is still necessary to include all the details required to prevent double taxation to the most extensive level (Ring, Winter 2007). While many unilateral solutions aim to avoid double taxation, one should recognise the relevance of DTT for personal taxation, where even minor coordination problems can have personal effects (Baker, 2014). Other benefits than the avoidance of double taxation might not be as “heroic” (Dagan, 2000) as the prevention of double taxation, but they are nevertheless important.

D) How Do Those Effects Reflect on Foreign Policy?

I) Increased Revenue and Economic Growth

Most states strive to increase their revenue and their economic growth. The resident state can increase its revenue if the source state agrees to limit its taxation (Brooks & Krever, 2015). Usually, a treaty will benefit all parties, even though some conflict of interest remains (Chisik & Davies, 2004). However, that benefit is diminished if the FDI between those countries is asymmetric (Chisik & Davies, 2004). That is usually the case between developed and developing countries. Since the effect of DTT on FDI remains to be determined (Christians, 2003; MacDaniel, 2003; Navarro, 2021), it is not certain that the expectation of a higher FDI will influence DTT in the future in developing countries. Higher administrability and certainty will have a significant effect on developed countries since those countries often prevent double taxation unilaterally.

Those countries are also in a different position regarding the following effect.

II) Bargaining Chip

By agreeing to treaty provisions that are, at first glance, less beneficial, countries can obtain a bargaining chip for other negotiations.

China, for example, has a powerful bargaining position due to its large and attractive markets (Christensen & Hearson, 2022) it already achieved a very beneficial outcome in the 1980s in its DTT with the US. That DTT was also the first to be signed by a US President (Statement of Ronald A. Pearlman 1985). It was so beneficial towards China that the Senate Committee clarified that this would not be seen as a precedent for other DTT negotiations (Reese, December 1987). This example illustrates how geopolitically important countries are often able to receive a benefit compared to countries that cannot deliver a strategic advantage to the partner of the DTT (Reese, December 1987).

On the other hand, most developing countries are in a worse bargaining position due to a lack of bureaucrats, tax specialists (Hearson, 2022), and offers they can make to other countries. Some authors have gone so far as to describe them as being “forced” by a prisoner’s dilemma since they are participating in a race to the bottom to offer the best conditions to capital-exporting countries (Baistrocchi, 2008).

It has been shown that European countries, by trying to compete with China in Africa, are trying to achieve deals that are at least equal to the ones with China (Hearson, 2022).

The tax-sparing clauses sometimes included in treaties with developing countries

are seen as a concession, which has to be “bought” by other concessions of the capital-importing states (Ashiabor, 1998). Since the US usually denies such clauses, the developing countries can achieve other benefits (Navarro, 2021). Other possible benefits the developing countries could achieve include lowering the threshold for assuming a permanent establishment that allows taxation in the source state or higher withholding taxes (Christians, 2003).

III) Diplomatic Contact

While it is hard to measure the effects of diplomatic contact with a country, the existence of diplomatic contact with another country is something that cannot be achieved unilaterally. Of course, diplomatic contact cannot be exclusively achieved through tax treaties. Still, the contained mutual agreement and arbitration procedure pose a possibility for contact between the two nations besides other areas of foreign policy.

E) The New International Tax Regime

In the past decade, we have experienced “the most extensive attempt to change international tax norms since the 1920s” (Grinberg, June 2016). With the BEPS Project, we have seen a new form of cooperation to tackle base erosion and profit shifting

as well as a redistribution of taxing rights. The project is going to impact Chinese multinationals just as American (Christensen & Hearson, 2022). That poses the question of whether the BEPS projects, resp. recent developments are weakening the bargaining position of individual countries.

First, it should be noted that the formerly strong position of the US was weakened during the BEPS negotiation. That was firstly since subsidiaries of US parent companies, based on the increased digitisation, were able to deal with each other directly and exclude the parent company, therefore also

the US Internal Revenue Service (IRS), and secondly because of the gridlock on (domestic) tax reforms (Grinberg, June 2016). This is a general symptom, showing that the ultimate resident states of MNEs are no longer equipped with a strong bargaining position.

The global financial crisis altered the way of decision-making worldwide towards more multilateral cooperation in tax matters to increase state revenue (Grinberg, June 2016). That resulted in issues such as Transfer Pricing being discussed publicly and at higher levels of government (Grinberg, June 2016). So far, 102 countries have signed the Multilateral Instrument (MLI) by which the BEPS rules are to be implemented (OECD, 2024).

It is fair to assume that questions regarding

By agreeing to treaty provisions that are, at first glance, less beneficial, countries can obtain a bargaining chip for other negotiations.

international taxation are better coordinated than they were 20 years ago. There are still powerful leading countries required to lead the negotiations (Grinberg, June 2016). But their influence on the outcome has declined.

Nevertheless, aside from the MLI, which shall have a direct effect, the inclusion of new rules by the OECD or the UN does not have a direct effect. Often, there are no coercive measures to ensure compliance, but only the respective countries' reputations are at stake (Grinberg, June 2016). In the case of distributive problems, soft law is unlikely to work (Grinberg, June 2016). Even though there are instruments, like the Global Forum, those are usually not enforceable (Brodzka & Garufi, August 2012; "Lotus," 1927). Additionally, multiple countries are (preparing) to mock compliance (Grinberg, June 2016). Finally, it is to be noted that the new tax regime still poses unresolved issues for developing countries (Hearson & Prichard, 2018). Even with the best international regime, the effect is only as good as it can be applied internally, which often poses a problem for developing countries.

F) Conclusion

In the past, DTT have been influenced by and have affected not tax-related areas of policy, mainly the closely connected state revenue and economics, but, in its role as a bargaining chip and a method of establishing diplomatic contact, other areas of politics as well. With rising doubt of the effect of FDI in literature, it is unclear whether this area will still be relevant in the future. DTT remain an essential factor in influencing state revenue and thereby remain a bargaining chip for other matters. The diplomatic contact provided by the negotiation of DTT and resolving disputes arising from them stay important. With the shift in public attention towards tackling tax avoidance, political processes have also shifted. The increased attention that tax treaties now receive has resulted in a greater effort from international organisations like the OECD, the G20, and the UN. That increased effort can, however, not distract from the fact that the final tax treaties are usually still negotiated bilaterally and, therefore, open to influences from other areas of policy.

Bibliography

Ashiabor, Hope. "Tax Sparing: A Timeworn Mechanism in Australia's Bilateral Treaties with Its Trading Partners in Southeast Asia." *International Tax Journal* 24 (1998): 67.

Baistrocchi, Eduardo. "The Use and Interpretation of Tax Treaties in the Emerging World: Theory and Implications." *British Tax Review* 4 (2008): 352-91.

Baker, Paul L. "An Analysis of Double Taxation Treaties and Their Effect on Foreign Direct Investment." *International Journal of the Economics of Business* 21, no. 3 (2014/09/02 2014): 341-77. <https://doi.org/10.1080/13571516.2014.968454>. <https://doi.org/10.1080/13571516.2014.968454>.

Baker, Philip, Ernst Czakert, Arie van Eijdsen, María Amparo Grau Ruiz, and Liselott Kana. "International Assistance in the Collection of Taxes." *Bulletin for International Taxation* 65, no. 4/5 (2011). https://research-ibfd-org.mu.idm.oclc.org/#/doc?url=/document/bit_2011_04_int_2.

Brodzka, Alicja, and Sebastiano Garufi. "The Era of Exchange of Information and Fiscal Transparency: The Use of Soft Law Instruments and the Enhancement of Good Governance in Tax Matters." *European Taxation* (August 2012): 394-408.

Brooks, Kim, and Richard Krever. "The Troubling Role of Tax Treaties." In *Tax Design Issues Worldwide*, edited by Geerten M. M. Michielse & Victor Thuronyi. Series on International Taxation, 2015), 159-178., 2015.

Chisik, Richard, and Ronald B. Davies. "Asymmetric Fdi and Tax-Treaty Bargaining: Theory and Evidence." *Journal of Public Economics* 88, no. 6 (2004): 1119-48. [https://doi.org/10.1016/S0047-2727\(03\)00059-8](https://doi.org/10.1016/S0047-2727(03)00059-8).

Christensen, Rasmus Corlin, and Martin Hearson. "The Rise of China and Contestation in Global Tax Governance." *Asia Pacific Business Review* 28, no. 2 (2022/03/15 2022): 165-86. <https://doi.org/10.1080/13602381.2022.2012992>. <https://doi.org/10.1080/13602381.2022.2012992>.

Christians, Allison. *Tax Treaties for Investment and Aid to Sub-Saharan Africa a Case Study*. [S.l.]: SSRN, 2003. <https://doi.org/10.2139/ssrn.705541>. <https://ssrn.com/abstract=705541>

<https://doi.org/10.2139/ssrn.705541>.

Christians, Allison, and Alexander Ezenagu. "Kill-Switches in the U.S. Model Tax Treaty." *Brook. J. Int'l L* 41 (2016): 1043-80.

Dagan, Tsilly. "Tax Treaties as a Network Product." *Brooklyn Journal of International Law* 41, no. 3. (2016).

———. "The Tax Treaties Myth." *New York University Journal of International Law and Politics* 32, no. 4 (2000): 939-96.

Graetz, Michael J., and Michael M. O'Hear. "The Original Intent of U.S. International Taxation." *Duke Law Journal* 45, no. 5 (March 1997): 1021-110.

Grinberg, Itai. "The New International Tax Diplomacy." *Georgetown Law Journal* 104, no. 5 (June 2016): 1137-96.

Hearson, Martin. *Imposing Standards: The North-South Dimension to Global Tax Politics*. Cornell Studies in Money. Ithaca, NY: Cornell University Press, 2022. doi:doi:10.1515/9781501756009. <https://doi.org/10.1515/9781501756009>.

Hearson, Martin, and Wilson Prichard. "China's Challenge to International Tax Rules and the Implications for Global Economic Governance." *International Affairs* 94, no. 6 (2018): 1287-307. <https://doi.org/10.1093/ia/iyy189>. <https://doi.org/10.1093/ia/iyy189>.

Helminen, Marjaana. *The Nordic Multilateral Tax Treaty as a Model for a Multilateral Eu Tax Treaty*. 2014.

Lang, Michael. *Introduction to the Law of Double Taxation Conventions*. 3 ed. Wien, 2021.

Lang, Michael, Pasquale Pistone, Josef Schuch, and Claus Staringer. *The Impact of the*

Oecd and Un Model Conventions on Bilateral Tax Treaties. Cambridge Tax Law Series. Cambridge: Cambridge University Press, 2012. Book. <https://mu.idm.oclc.org/login?url=https://search.ebscohost.com/login.aspx?direct=true&db=nlebk&AN=451696&site=ehost-live&scope=site>.

This entry was generated through inserting a Case citation for Lotus. Case references should appear only in the notes. Remove field codes in the final document and then remove this entry.

MacDaniel, Paul R. "The U.S. Tax Treatment of Foreign Source Income Earned in Developing Countries : A Policy Analysis." [In English]. The George Washington International Law Review (2003).

Nations, United. United Nations Model Double Taxation Convention between Developed and Developing Countries: 2017 Update. United Nations, 2018. doi:<https://doi.org/10.18356/cc8f6035-en>. <https://www.un-ilibrary.org/content/books/9789210474047>.

Nautiyal, Megha, and Dhruv Tiwari. "Russia's Tax Treaty Gambit: Political Manoeuvring in an Economic Arena." Oxford Political Review, 11. November 2023 2023. <https://oxfordpoliticalreview.com/2023/11/11/russias-tax-treaty-gambit-political-manoeuvring-in-an-economic-arena/>.

Navarro, Aitor. "Tax Sparing Clauses as a Policy Instrument of Developing Countries: Evidence from the Latin-American Tax Treaty Network." Nordic Journal on Law and Society 4, no. 1 (2021): 1-37. <https://doi.org/https://doi.org/10.36368/njolas.v4i01.185>.

"Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Beps." 2024, accessed 05. February 2024, <https://www.oecd.org/tax/treaties/multilateral-convention-to-implement-tax-treaty-related-measures-to-prevent-beps.htm>.

OECD. Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two). Paris 2021. <https://doi.org/https://doi.org/10.1787/782bac33-en>.

Pistone, Pasquale. Tax Treaty Arbitration. Amsterdam, the Netherlands: IBFD, 2020. <https://search.ebscohost.com/login.aspx?direct=true&scope=site&db=nlebk&db=nlabk&AN=2478360>

<https://public.ebookcentral.proquest.com/choice/publicfullrecord.aspx?p=6212447>.

Pit, H. M. "Arbitration under the Oecd Model Convention: Follow-up under Double Tax Conventions: An Evaluation." Intertax (2014): 445-69. <http://www.kluwerlawonline.com/api/Product/CitationPDFURL?file=Journals\TAXI\TAXI2014043.pdf>.

Reese, Paul D. "United States Tax Treaty Policy toward Developing Countries: The China Example." UCLA Law Review 35, no. 2 (December 1987): 369-98.

Ring, Diane. "International Tax Relations: Theory and Implications." Tax Law Review 60, no. 2 (Winter 2007): 83-154.

Statement of Ronald A. Pearlman (1985).

Treasury, U.S. Department of the. "United States Model Income Tax Convention." 2016.

Greetings from our contributors



Young
Transatlantic
Initiative



Since 2011, we have been advocating for a two-way social dialogue on the future of the transatlantic partnership.

**YOUNG
TRANSATLANTIC
INITIATIVE**



We host discussions, organize trips, socialize in the regions, and provide information about current events

**CONTACT
US VIA**



@transatlantiker



info@junge-transatlantiker.de



Talwiesenstraße 5,
67435 Neustadt



Become a member and part of the transatlantic community.

We are committed to promoting European-North American understanding.



Join a network of more than 450 engaged people on both sides of the Atlantic.

We offer unique study trips, essay contests, and a transatlantic, young community.



Locally and remotely.

Whether on-site at the City Hub or on the road, exciting political, cultural, and social events await you.

www.junge-transatlantiker.de

transatlantic mission



Navigating Troubled Waters:

Black Sea Security in the Context of the War in Ukraine



Antonia Pup [in](#)

Antonia-Laura Pup is a Master's student in International Security at Sciences Po Paris. Having a BA in History, she is also attending the Foreign Service programme at the Academy of Young Diplomats of the European Academy of Diplomacy in Warsaw. She was an advisor to the Chairman of the Committee on Defence, Public Order and National Security of the Romanian Chamber of Deputies.

RECOMMENDATIONS FOR THE EURO-ATLANTIC COMMUNITY ON THE MARGINS OF THE NATO SUMMIT IN WASHINGTON DC IN 2024

Elements of context

IN security in the Black Sea region has not been a black swan for the Euro-Atlantic community, it has been a veritable grey rhino.

The Black Sea is the place where the major players of the current geopolitical scene have met, and their interests are more convergent than ever: the Euro-Atlantic community, the Balkans, the Russian Federation, the Middle East, the South Caucasus. This strategic location is not only a border between the transatlantic alliance and the Russian Federation – the most persistent threat to the alliance's security, according to the recent Strategic Concept, but also a particular mosaic of overlapping military and non-military threats alike.

In the last decade, the Russian Federation has considerably increased its multi-domain military presence in the Black Sea. We note that dominating the maritime part of the Black Sea region has long been a desire in the Russian Federation's regional strategy to threaten the security of NATO members in the region. It has also allowed the Russian Federation to try to isolate countries such as Georgia, Moldova, and Ukraine, that have voiced their Euro-Atlantic aspirations. The Black Sea Fleet and access to Sevastopol played a pivotal role in projecting this foreign policy objective. In the case of Georgia, the Russian Federation used its naval forces to destroy the Georgian fleet (Melvin & Seskuria, 2022). Through such actions, the Russian Federation has consolidated its power in the Black Sea. The war in Ukraine has partially changed this dy-

namic, showing that Russian power is not as great as the myth is.

By partially destroying the Black Sea Fleet headquarters in Sevastopol in September 2023 and substantially decimating Russian capabilities, Ukraine, backed by its allies with relevant military technology such as drones and long-range cruise missiles, has demonstrated that it can reshape the balance of power in the Black Sea. Ukraine's success is even more remarkable because it does not yet have a functioning navy (Dickinson, 2023). Another turning point in the conflict was the April 2022 event when Ukraine shot down the Moskva, the flagship of Russia's Black Sea Fleet, followed by the liberation of Snake Island.

If it was commonplace from the moment Georgia was occupied by the Russian Federation in 2008 that this state actor is the biggest threat to regional security, today we see how other geopolitical actors with global power status, such as the People's Republic of China, seek to project various power goals in the region. This underlines the need for an integrated strategy for the Black Sea region, one that encompasses both NATO member and partner riparian states.

However, achieving consensus for a Black Sea strategy for NATO is not at all an easy job, especially since there are two main divergent views regarding the role of NATO at the Black Sea within the alliance. First, we have the view that argues for a more firm and consistent allied presence in the region, supported by countries such as Romania (the internationalist position), and then we have the position supported by Türkiye that calls

for less interventionism and less militarization in the region. Unfortunately for the internationalist camp, the Montreux Convention is the framework that favors a less concrete presence of the allies at the Black Sea and, additionally, more power to a single country, namely Türkiye, that controls the Bosphorus and Dardanelles straits, whose strategic relevance was also highlighted in the context of the war in Ukraine. Since Türkiye decided to close the Bosphorus and Dardanelles straits to the military forces of the Black Sea states, NATO's deterrent posture has been significantly limited to the Black Sea. NATO allies' naval representation in the Black Sea has been considerably reduced, which has also affected the training of Romanian and Bulgarian naval forces.

Now, even though the Russian Federation's Black Sea Fleet has been partially destabilized by Ukraine, the allies must remain on guard and realize that the Russian danger has not passed. Moscow's plans to build a naval base in occupied Abkhazia are another signal that the Russian Federation will not easily give up its offensive position in the Black Sea. The allies must continue to keep an eye on the dynamics of the region and act accordingly, while also thinking one step ahead and creating the political consensus necessary for a sharp Black Sea security strategy that is embraced by NATO.

The vulnerabilities highlighted by the war in Ukraine

When it comes to the biggest regional threat, there is a strong consensus that it is the Russian Federation. The same strategic consensus cannot be said when it comes to vulnerabilities. The Euro-Atlantic community's vulnerabilities in the region are not few, and some of them have been part of critical secu-

rity voices' analyses even before the war in Ukraine began. However, the war in Ukraine amplified a number of these vulnerabilities to a point where turning back was no longer possible, and quick decisions had to give way to strategic ambiguity.

1. Lack of a strengthened regional identity that could make Black Sea security cooperation possible

Differences in the vision of Black Sea allies and partners, their different degree of integration into the Euro-Atlantic community, as well as the two competing visions on the Black Sea (the one in favor of internationalization, supported by Romania, and the one against internationalization, supported by Türkiye and articulated through the Montreux Convention) have so far made it impossible to consolidate a regional identity, an important step in the regional security conversation. Existing cooperation structures, such as the BSEC - Black Sea Economic Cooperation, have been limited to talking about economic cooperation and joint investment projects, but have proved far too ineffective in relation to security needs.

Moreover, some of the allies, e.g. Bulgaria, depend on the Russian Federation for energy: before the war started, 77% of Bulgaria's gas needs and 90% of its oil needs came from Russian imports (Kogan, 2022). These unwanted dependencies make regional cooperation to deter the main threat much more difficult.

2. Insufficient capabilities of some NATO littoral states in the region - notably Romania and Bulgaria

The capabilities of the NATO Black Sea littoral states need rapid modernization and major investment, as some of them, especially the mines, are still of Soviet origin and have not yet made the transition to Western

ones. They are deficient in capabilities when it comes to the maritime domain, due to modest investments in this sector over the last few years. For instance, Romania and Bulgaria combined currently only operate seven escort frigates that can be considered major surface combatants (Lancaster, 2023). NATO partner states are no better off when it comes to naval forces either, with Georgia's naval capabilities non-existent.

Tailored Forward Presence:

At the 2016 NATO Summit in Wales, the Allies have agreed to establish this type of presence in the southern part of the eastern flank, which is a lowered version of the enhanced forward presence established in the north of the eastern flank. This taxonomy highlighted that more strategic importance was given to the north of the eastern flank rather than its southern part, where the Black Sea is situated. This tailored presence has land, sea, and air elements, and its land component is coordinated by a multinational brigade in Craiova, Romania.

3. Ambivalence of a key player in the region - Türkiye

Some NATO allies have shown ambivalent behavior towards the Russian Federation, such as Türkiye. It has particularly affected regional cooperation in recent years and even during the war, in the context of the decision to apply sanctions.

We also have in mind the episode in which Türkiye purchased the S-400 missile system from the Russian Federation, which resulted in Türkiye's removal from the F-35 program by the US (Flanagan, 2020). Episodes like this

only deepen the capability gap between East and West and perpetuate the state of mistrust between allies in the regional context.

4. Fragmentation of NATO's eastern flank and a weakened defense and deterrence posture in the Black Sea, partly due to the limitations of the Montreux Convention

NATO's two levels of forward defense – “enhanced” in the Baltic area and “tailored” in the Black Sea region - have created a vacuum in the region in recent years, leading to a fragmentation of the Eastern flank through this asymmetric defense posture.

The limitations of the Montreux Convention have made it almost impossible to conduct military exercises in the Black Sea in the context of the war in Ukraine, and in the wider context, makes talk of a permanent allied military presence unlikely and, in any case, difficult to implement.

5. Frozen conflicts in the region that are starting to boil are a real threat to the region, a threat which, together with the war in Ukraine, makes the region even less predictable. Note here the frozen conflict in Transnistria in the Republic of Moldova, Abkhazia, and South Ossetia in Georgia, but also the tense situation in the South Caucasus and the potentially escalating conflict between Azerbaijan and Armenia.

The existence of these frozen conflicts favors the influence of the Russian Federation in the region, as it is known that Moscow is interested in generating and maintaining hotbeds of tension to control sovereign states or strategic spaces by controlling a part of the state. This has several implications for regional security, given the complex cooperation between the Russian Federation and these conflict zones,

as well as the complicated relations between these irredentist units and the states on whose territory these conflicts are located.

6. Lack of clear vision for implementing a **victory theory** in the context of the war in Ukraine and lack of prospects for **Euro-Atlantic-oriented states** (Ukraine and Georgia, and possibly in the future the Republic

of Moldova) to join NATO is, in the acute context, the greatest vulnerability. Consensus must be built so that a future European security architecture includes the Black Sea region as a strategic point, but this security architecture will largely depend on the success of the Ukrainian counteroffensive, the liberation of territories and the recovery of Crimea.



© Hugo Ahlenius for SIPRI, 2018

Steps FOR A MORE COHERENT approach regarding Black Sea Security since 24th of February 2022

Until the war in Ukraine, even though the expansion of the European Union and NATO has made the Black Sea a key region in the security architecture of Eurasia, it has not had any major international visibility. The current security situation in the region gave the allies the necessary impetus to bolster NATO's deterrence and defense posture at the Black Sea through a few important measures adopted during the last two summits – in Madrid and Vilnius.

NATO's new Strategic Concept, adopted at the 2022 Madrid Summit, premieres the beginning of an alliance-wide strategic conversation on Black Sea security, recognizing that militarization by the Russian Federation directly impacts the alliance's interests: "Moscow's military build-up, including in the Baltic, Black and Mediterranean Sea regions, along with its military integration with Belarus, challenge our security and interests". Moreover, the strategic importance of the Black Sea is finally recognized, together with the one of the Western Balkans. The determination to support the transatlantic ambitions of the countries in the region is acknowledged. In addition to that, the strategic framework

also reaffirms NATO's commitment to support these states to strengthen their capabilities and address the various threats they face.

Since the war and in particular this year, regional cooperation between like-minded partners has started to intensify, notable in this respect being the Black Sea Grain Initiative (limited success), but also the establishment of the International Crimea Platform hosted by the government in Bucharest in April 2023, where Romania and Ukraine organized the First Black Sea Security Conference. Economic cooperation and joint infrastructure projects for more connectivity in the region were also main topics of discussion in this year's iteration of the Three Seas Initiative Summit and Business Forum, in which Ukraine and Republic of Moldova were welcomed as associated members.

Another example of cooperation between NATO allies is expected to be that Türkiye, Romania and Bulgaria are on the verge of talks to create a joint force to clean up mines drifting into their waters from the war.

But, apart from forums of discussions and the diplomatic expression of the good intentions partners in the region have, the war in Ukraine has determined the alliance to address more firmly the vulnerabilities of the Black Sea. Perhaps the most concrete measure that proves this determination is the establishment of eight new battlegroups in the eastern flank of NATO as of July 2023. In the case of the Black Sea region, both Romania and Bulgaria benefit from these battlegroups integrated into the NATO command structure to ensure a rapid and effective response to threats. These battle groups are led by framework nations: France, in the case of Romania, and Italy, in the case of Bulgaria, with forces from contributing states providing a rotating

presence within the battle groups. In addition to these new battle groups, NATO has developed the surveillance and reconnaissance dimension in the region considerably, including maritime patrol aircraft and drones, necessary to improve the deterrence and defense posture in the Black Sea region.

The line taken in Madrid, of extended protection of the eastern flank, was taken up and extended in the context of the Vilnius Summit, with the existing battle groups being upgraded to brigade level. Moreover, the three regional defense plans were also adopted in Vilnius, with the Black Sea and the Mediterranean Sea included in the defense plan headed by the Italian command in Naples. The chiefs of defense from the allied countries have already met in September 2023 to discuss the operationalization of these new facilities. Although this is a step forward for the protection of NATO's eastern flank, it is only a necessary, not a sufficient condition to protect the Black Sea from existing threats. The limitations of the Montreux Convention and the reduced capabilities of some allies (especially maritime capabilities) such as Romania and Bulgaria are real vulnerabilities to solidifying the Black Sea component of these plans.

Further steps forward, in July 2023, the US Senate passed the National Defense Authorization Act (NDAA), which includes, through an amendment, the Black Sea Security Act, the beginning of a US strategy for additional military resources invested in the region. The bipartisan support for this legislative initiative is important and demonstrates once again the relevance of the Black Sea region to Euro-Atlantic security. However, in the absence of sufficient US funding, this strategy will remain nothing more than a hollow form, a political statement of good intentions.

Finally, when counting the steps forward that the Alliance has made when it comes to a more consistent presence in the region, we cannot forget to mention that a new NATO-Ukraine Council has been established to facilitate strategic dialogue between the Alliance and the country supported in the context of the war. The existence of this council, although it cannot take the place of the security guarantees obtained by Ukraine's actual accession to NATO, demonstrates the permanence of the allies' support for the Ukrainian cause and eliminates the hypothesis that this support is circumstantial. In the medium term, this council may provide a more structured way of addressing the opportunity for Ukraine to join NATO (hopefully more than the NATO-Ukraine commission did) following the end of the war, although it is difficult to define what such an end might look like now. Thus, the NATO-Ukraine council has the prospects of being both the place in which concrete support is discussed, like the one provided through the Comprehensive Assistance package, but also measures regarding the security in the Black Sea region and the interoperability of the Ukrainian forces with the ones of the allies.

Policy recommendations

The future European security architecture, which is being decided in the context of the war in Ukraine and its aftermath, must contain a mature approach of the Euro-Atlantic community towards the Black Sea region. Strategic maturity must be assumed by both the riparian states and NATO allies, with pragmatic and medium-term thinking. This is necessary for the allies to learn from past mistakes and to avoid a situation where the Russian Federation (or, in the future, China, given its proximity through strategic investments in

key points such as the Georgian port) takes advantage of the lack of vision and preparedness of the allies in this regional context to promote its strategic objectives through military and non-military means.

When it comes to the Black Sea region, strategic ambiguity can no longer be an option for the Euro-Atlantic community, which is why the following recommendations should be considered:

- **Improving the Alliance's Black Sea defense and deterrence posture by getting NATO littoral states, especially Romania and Bulgaria, to invest in their fleets and naval capabilities, while ensuring regional cooperation**

In the case of Romania, the government in Bucharest has committed to increase the defense budget to 2.5% of GDP by 2022, but it must be considered that enough of this money will be for investment and new equipment for efficient and modern armaments, not just salaries and personnel costs. Against the backdrop of the sensitive domestic political situation, Bulgaria has failed to meet its NATO agreed 2% defense budget target, allocating only 1.51% to this sector. In addition, both countries have vulnerabilities when it comes to maritime and air capabilities, which is why we recommend that NATO assist the governments in Bucharest and Sofia to update their military equipment programs to address Black Sea security concerns. The modernization of coastal defenses and coastal surveillance systems needs to be harmonized for both Romania and Bulgaria, while also addressing the needs of the partner states where possible and providing assistance for the like-minded partners in the region.

Romania and Bulgaria need to give up the outdated equipment and invest significant resources in naval modernization programs including warships, frigates, missile systems for coastal defense. The mine arsenal must also undergo a regeneration process and procedures must be started to replace the Soviet mine arsenal with those used by the West.

Another issue that allies in the region need to address is situational awareness. Improved monitoring capability over the Russian fleet through **performant SIGINT units** must be developed for the NATO littoral states, in parallel with the counterintelligence component, to block situations where the Russian Federation can intercept the naval communications of these states, as well as attempts to penetrate the bureaucracy of these states through human intelligence.

It is also relevant to revitalize the context of strategic dialogue between NATO's Black Sea allies and its partners. To begin with, the trilateral Romania - Bulgaria - Türkiye could be revitalized as a diplomatic means to increase the level of cooperation between these states, but also to increase the frequency of joint exercises to stabilize the principle of interoperability and agility between partners. Countries such as Ukraine, Moldova and Georgia can be invited to these trilateral meetings to maintain a permanent dialogue with partners on regional

security issues. The main aim of this diplomatic exercise is to make sure that all the NATO allies in the Black Sea agree on identifying Russia as a severe threat for the security of the region.

- **Creating a NATO strategy for the Black Sea, in line with the principles of the 2022 Strategic Concept, harmonized with existing and emerging national strategies, for a unified approach at Alliance level**

A NATO strategy for the Black Sea should signal that the Alliance will not accept the scenario

Continued support for Ukraine in the face of Russia's war of aggression is necessary to avoid a strategic vacuum in the Black Sea region again, and with the prospect of dialogue between allies, they will have to find solutions to make this support a constant in the coming year.

that the Black Sea is a Russian lake. Alternatively, the Alliance should work with the allies and partners to ensure that soon the Black Sea will become, just like the Baltic Sea already is, a NATO lake.

Such a document agreed by all allies would not only recognize the strategic importance of the Black Sea for NATO but would add to the vision of the 2022

Strategic Concept and signal the allies' concern for this region that has been neglected in recent years. NATO should include in this strategy an increase in the frequency of naval exercises and a permanent naval military presence. The integration of NATO partners in the region in these exercises, such as Georgia, is relevant.

The idea of a **Romanian-Bulgarian-Turkish fleet**, first presented by Romanian President Klaus Iohannis in 2016, deserves to be reconsidered to improve NATO's deter-

rence posture in the region. History has shown that these formats that include like-minded countries within NATO that are swifter and can act more rapidly tend to be more effective than alliance-wide measures, thus following the concept of smart defense.

- **Exercises, exercises, and more exercises**

Exercises such as Sea Breeze 2023, multinational exercises, together with allies and partners, must continue in the Black Sea and in the context of the Partnership for Peace. These are necessary not only to project that we are ready, but also to develop, as an alliance, our interoperability and agility.

These exercises must be resumed and continued even in the context of the war in Ukraine, to build resilience, but also after it is over, as a way of internalizing the lessons of war. The focus on developing a common understanding of how to execute procedures, use different techniques and train personnel to be adaptable to multinational working environments is a goal to strive for through these exercises.

- **Continue to support Ukraine in the illegal war of aggression started by the Russian Federation and build consensus for its full integration in the transatlantic partnership**

It is likely that the multiple rounds of elections scheduled for 2024 will weaken the general support of the Euro-Atlantic community for Ukraine. Divisions within the major US parties in Congress are likely to affect the prospects that this massive contributor to Ukraine's victory will have the same options when it comes to providing additional military support. Moreover, the geopolitical agenda seems more crowded than ever, with the frozen conflicts in Gaza, Nagorno-Karabakh and Kosovo being ac-

centuated lately. Last but not least, transatlantic unity seems to be undermined by certain actors choosing to take a separate front when it comes to interaction with the Russian Federation, such as Hungary.

Continued support for Ukraine in the face of Russia's war of aggression is necessary to avoid a strategic vacuum in the Black Sea region again, and with the prospect of dialogue between allies, they will have to find solutions to make this support a constant in the coming year. Military support is essential, especially long-range modern missiles, artillery, and drones, but also tanks to continue the counter-offensive and liberate the occupied territories. The newly established F-16 training hub in Romania will also need both financial and human resources to run effectively and be able to train the Ukrainian pilots.

The summit in Washington must also represent a framework for allies to express their political options regarding the new security architecture after the war in Ukraine, and if the war will continue – which sounds like a more plausible scenario, to find new ways to overcome the internal political differences and advance solutions not only for winning the war, but for winning the peace too.

- **Full integration of Ukraine into the Euro-Atlantic community (EU, NATO) and internalization of its lessons from the war**

There is a need to advance discussions on Ukraine's accession to NATO at the Alliance summit in Washington, but also an action plan whereby NATO, using coordinating structures such as ACT, can integrate Ukraine's war lessons from the front and deliver them to allies in a coherent manner. In this way, the Alliance can strengthen its pillar of education and training of

its soldiers and transition from peace-based to war-based training to increase readiness.

Also, given that Ukraine is already a candidate state of the European Union, it can participate in EU security and defense initiatives, thus contributing to strengthening the European defense pillar, complementary to NATO.

A security and defense sector reform assistance program for Ukraine is also needed. Already NATO member states in the region, notably Romania, Bulgaria, Türkiye, but also Poland, could participate in the shaping of this reform program, with the aim of revitalizing Ukraine's post-war institutions and preparing for Ukraine's accession to the EU and NATO.

- **Increasing the allied military presence in the Black Sea and ensuring freedom of navigation, in accordance with the international legal framework established by the Montreux Convention**

The reopening of Ukrainian ports for business and the resumption of Black Sea shipping trade are essential steps towards ensuring economic security, in particular global food security. NATO allies, especially those who are also members of the G7, should use their diplomatic capabilities to restore freedom of navigation on the Black Sea. The partner fleets of the US, UK, and France are particularly important to guarantee the safe maritime mobility of merchant ships.

Regardless of the outcome in Ukraine, NATO must focus on robust conventional deterrence in the Black Sea, coupled with an increased and frequent allied military presence in the Black Sea. Diplomatically, NATO must work closely with Türkiye to promote freedom of navigation and a pragmatic and coordinated response to Russian-led attempts to militarize the Black Sea.

In the coming period, the Alliance must focus on maritime patrols and a year-round naval presence in the Black Sea. This year-round presence would help deter the Russian Federation without violating the Montreux Convention.

Paradoxically, once the war in Ukraine started in 2014, although the rhetoric for a greater presence in the Black Sea was present in public discourse, it did not necessarily translate into action. For example, an analysis by Stars and Stripes shows that from 2014 to 2016, the number of days that US ships spent in the Black Sea dropped drastically, from 210 to 58 (the US being the main participant in these missions). Regarding maritime patrols, European allies should also invest more resources so that this responsibility does not only belong to US naval forces. Increasing the frequency of patrols is pivotal, because without them, there will be a strategic vacuum that the Russian Federation will try to fill.

Joint naval exercises should be increased and the involvement of NATO partners such as Georgia in these exercises should be considered. Surveillance and reconnaissance operations using aircraft as well as MQ-9 Reaper 13 and RQ-4 Global Hawk 14 UAVs in the Black Sea by the US and its transatlantic partnership allies must continue for a real-time view of the maritime domain and to prevent and deter any potential aggression.

It is worth stressing once again, as a recent NATO PA report shows, the need for the Black Sea allies, especially Romania and Bulgaria, to invest in modern naval capabilities.

NATO should also avoid the fragmentation of NATO's eastern flank without a layered presence - in other words, the Black Sea, like the Baltic Sea, should benefit from all aspects of an enhanced, not tailored, military presence.

Bibliography

Berriault, L. (2023, January 4). Reconstructing the postwar Black Sea region. GIS Reports. <https://www.gisreportsonline.com/r/black-sea-postwar/>

Dickinson, P. (2023). Putin's fleet retreats: Ukraine is winning the battle of the Black Sea. Atlantic Council. <https://www.atlanticcouncil.org/blogs/ukrainealert/putins-fleet-retreats-ukraine-is-winning-the-battle-of-the-black-sea/>

Flanagan, S. J. (2020, October 5). Russia, Nato, and Black Sea Security. RAND Corporation. https://www.rand.org/pubs/research_reports/RRA357-1.html

Gressel, G. (2023, February 21). Waves of ambition: Russia's military build up in Crimea and the Black Sea. European Council on Foreign Relations. <https://ecfr.eu/publication/waves-of-ambition-russias-military-build-up-in-crimea-and-the-black-sea/#vulnerabilities-and-strengths-of-the-black-sea-countries>

Kogan, E. (2022). The perils of Black Sea Security. Austria Institut für Europa- und Sicherheitspolitik. <https://www.aies.at/download/2022/AIES-Fokus-2022-05.pdf>

Lancaster, M. (2023, August 18). Troubled waters – How Russia's war in Ukraine changes Black Sea Security. North Atlantic Treaty Organization Parliamentary Assembly, Defence and Security Committee. <https://www.nato-pa.int/download-file?filename=/sites/default/files/2023-09/020%20DSCFC%2023%20E%20rev.1%20-%20BLACK%20SEA%20-%20LANCASTER%20REPORT.pdf>

Lancaster, M. (2023, August 18). Troubled waters: How Russia's war in Ukraine changes Black Sea security. North Atlantic Treaty Organization Parliamentary Assembly, Defence and Security Committee. <https://www.nato-pa.int/download-file?filename=/sites/default/files/2023-09/020%20DSCFC%2023%20E%20rev.1%20-%20BLACK%20SEA%20-%20LANCASTER%20REPORT.pdf>

Melvin, N., & Seskuria, N. (2022, November). A new security order in the Black Sea: The role of Georgia. Royal United Services Institute. <https://static.rusi.org/355-El-Georgia-Black-Sea-web-final.pdf>

Ministry of Foreign Affairs of Ukraine. (2023, April). Ukraine and Romania to hold the first Black Sea security Conference of the International Criminal Platform in Bucharest. <https://mfa.gov.ua/en/events/ukraine-and-romania-hold-first-black-sea-security-conference-international-crimea-platform-bucharest>

Mitrescu, S., & Pavel, A. (2023, September 20). Frozen conflicts in the heat of war: The changing tide in the Black Sea region. New Strategy Center. <https://newstrategycenter.ro/project/frozen-conflicts-in-the-heat-of-war-the-changing-tide-in-the-black-sea-region/>

North Atlantic Treaty Organization. (2023, September). NATO chiefs of defence discuss executability of regional plans. https://www.nato.int/cps/en/natohq/news_218538.htm

Okov, S., Vilcu, I., & Hacaoglu, S. (2023, October 10). Black Sea route: NATO allies to form mine-sweeping force. Bloomberg. <https://www.bloomberg.com/news/articles/2023-10-10/nato-allies-to-form-mine-sweeping-force-to-clear-black-sea-route?embedded-checkout=true>

Reichardt, A. (2022, September 29). Security in the Black Sea region after the Russian invasion of Ukraine. New Eastern Europe. <https://neweasterneurope.eu/2022/09/29/security-black-sea-ukraine/>

Romanian Ministry of Foreign Affairs. (2023, July 28). US Senate passes Black Sea Security Act. <https://www.mae.ro/en/node/62500>

Stars and Stripes. (2022, January 28). US Navy and NATO presence in the Black Sea has fallen since Russia took part of Ukraine [Image]. <https://www.stripes.com/theaters/europe/2022-01-28/sporadic-nato-patrols-in-black-sea-leaving-void-for-Russians-4443921.html>

Volkers, K. (2023). Time to end Russia's Black Sea piracy. Center for European Policy Analysis. <https://cepa.org/article/time-to-end-russias-black-sea-piracy/>



Looking Out for Sovereignty:

Politicised Security and Autonomy in European Integration



Erik Romera Tiedemann

Erik Romera Tiedemann is a bachelor's student of Political science and Public Administration. His fields of interest include foreign and defense policy as well as European politics. Outside of his studies he is a board member of the Young European Federalists (JEF) and youth ambassador for "EU Neighbours East", advocating for European unity.



Hannah Pütter

Hannah Pütter is currently studying for a Bachelor's degree in Political Science and is supplementing her education with knowledge of European and International law. Her focus is on the interactions between politics and law within the context of the EU and its migration policy. She is also a board member of the Young European Federalists (JEF).

Facing a multitude of crises in an increasingly multi-order world, Europe is experiencing a politicisation of European security policy integration. We propose a two-dimensional theoretical framework, in which two distinct conceptions of sovereignty - one shaped by the interests of security and one by those of national autonomy clash in the postfunctional mass arena.

I. Introduction

"Europe must learn quickly to speak the language of power and not only rely on soft power as we used to do."

This is how Joseph Borrell, the High Representative of the European Union, introduced the new strategic orientation of the EU's foreign and security policy (European External Action Service, 2020).

World politics is facing one geopolitical crisis after another. The character of these conflicts challenges the idea of a liberal world order that relies on global cooperation and interdependency to ensure a peaceful resolution of conflicts. Russia's war of aggression against Ukraine, but also military tensions be-

tween China and Taiwan, and the recent escalation in the Middle East are among the current examples that signal how certain powers threaten to "seek a world where might makes right, where disputes are resolved by force." (VOA, 2022).

Under these circumstances, Western powers feel an urge to adapt their security strategies and find a new role in this international turmoil. This is especially true for the European Union (EU), which previously sought to present itself as a normative superpower. Consequently, it managed to be capable of defending and enforcing its values through diplomatic commitments and economic influence. As with economic power, the European continent does not consist of



Source: European Union Naval Force Operation Atalanta <https://www.flickr.com/photos/eunavfor/8576203097>
CC BY-ND 2.0 DEED

multiple superpowers equally equipped to stand against global threats but relies on the pooling of resources, joint decision-making processes, and a shared vision in the field of security policy. However, transferring competencies within economic policy has proven far more attractive for the member states since this leads to noticeable economic benefits; it does not trespass on a country's national sovereignty as much as ceding control over foreign and security policy would. European states find it difficult to yield sovereignty claims to the supranational level. This is particularly reflected in the sluggish development of *the Common Foreign and Security Policy* (CFSP) and *the Common Security and Defence Policy* (CSDP). Yet, the call for political reforms is loud in light of the current geopolitical crises. Against this background, the present paper examines the following question: How does the emerging instability of the international order contribute to the sovereignty-oriented conflict of integrating security and defence policy? We assume that this specific policy field brings together two dimensions of political dynamics. First, we propose a dimension based on classic International Relations (IR) theory, recognizing neorealist expectations in the perception of international security. The second dimension concerns identity-rooted European integration in light of national autonomy claims. A different concept of sovereignty prevails on both dimensions: oriented towards international security or national autonomy. Using the postfunctionalist model of Hooghe and Marks (2009), we examine the extent to which these two concepts of sovereignty come into conflict over the deeper integration of security and defence policy and how this conflict is mediated. We argue that giving up some aspects of national sovereignty

will help secure *international* sovereignty in terms of protection against threats by superpowers. Therefore, states must balance security and national autonomy in the process of European integration, relying on institutional designs that mediate between the competing claims of the two faces of sovereignty.

Postfunctionalism:

Postfunctionalism is a theory of European integration proposed by Lisbeth Hooghe and Gary Marks which highlights the existence of diverse societal interests and identities shaping the debate on European integration. Postfunctionalist thought rejects the notion of continued harmonization in (neo)functionalist and intergovernmentalist theory, instead providing explanations for the limitations of European integration. Central to postfunctionalism is the process of politicisation of European policy - thus emphasizing the role and importance of public preferences.

II. Evolution of Common Foreign and Security Policy: "Supranationality without supranational institutions"

Contrary to popular belief, the idea of a Common European security policy did not arise as a subsequent step to a more advanced European economic integration; instead, it was an issue raised very early on in European integration. Nevertheless, during the 1950s, changes in global stability led to the end of pressing fears around European security (Ruane, 2000). This ended the idea of a common framework of European foreign policy during the early stages of European integration.

Only in the 1970s did the first strictly intergovernmental coordination of European *foreign* policy arise. Hardly seen as more than an offshoot of a civilian European project (Duke, 2000), and not including defence policy, the field of foreign policy was nonetheless subject to several formal and informal declarations in support of further integration (Salmon, 1992). This led to a gradual but substantial shift towards a more powerful Brussels through institutional coordination – an *"acquis politique"*.

Said integrative efforts culminated in the *"Common Foreign and Security Policy"* (CFSP) as part of more extensive European reform processes in the 1990s, picking up the topic of a Common European defence policy for the first time since the beginning of the process of European integration (Whitman, 1998). Since its inception in the Treaty of Maastricht, the core tasks of the CFSP are the general promotion of security cooperation and the adoption of fundamental strategies, actions, and positions (Art. 21-25 TEU). Unlike other growing supranational governance structures in the European Union, the CFSP, at its core, was and is an intergovernmental form of European cooperation (Hill, 1996). Its detached political character, being *"resistant to integration"* (Menon, 2013, p. 67), manifests in the unique institutional design and decision-making procedures.

First and foremost, the adoption of legislative acts in this policy area is excluded; instead, decisions are taken on positions and actions in European foreign policy (Art. 31 para 1 TEU). One of the most fundamental differences from other policy areas, which are now fully integrated, is the non-application of the so-called community method or ordinary legislative procedure. In this procedure, the right of initiative lies with the European Com-

mission, while the European Parliament can help shape the law through amendments and majority votes. In contrast, apart from information and consultation powers, Parliament is excluded from decision-making in the CFSP and can neither set its priorities nor exercise a veto right. Particularly concerning financing and the definition of long-term goals, this must also be viewed critically for legitimising reasons (Thym, 2004). Whereas the Treaty of Lisbon (2009) changed little concerning parliamentary involvement, it strengthened the power of the Commission and re-configured the role of *"High Representative of the Union for Foreign Affairs and Security Policy"* (HR) to merge the post of the Foreign Affairs Council and vice-president of the Commission. This ensured higher consistency of the EU's external action as it, inter alia, authorised the HR to submit proposals relating to CFSP to the Council (Art. 18 TEU). With its extended mandate, the High Representative gives *"a face to European foreign policy"* and strengthens the European identity on the international stage and vis-à-vis EU citizens (Thym, 2004, p.19).

Nevertheless, the dominant actors in the political negotiations are the individual member states and their representatives in the Council and the European Council, respectively. Distinct from the Qualitative Majority Vote (QMV) of the ordinary legislative procedure, the decision-making rule for CFSP is, in principle, unanimity. However, in Article 31 TEU, three institutional loopholes are especially prone to reducing the overarching maxim of consensus: applying QMV for exceptional cases, constructive abstention, and the passerelle provision for CFSP. The second provision means that in case of a member state's abstention, it is not obliged to apply this decision but has to accept that the decision commits the EU. The Council has used

this procedure only once in light of an EU civilian mission for Kosovo (Lübke-meier, 2021). Concerning the latter provision introduced by the Lisbon Treaty reform, unanimity can be replaced by QMV, if a unanimous resolution by the European Council permits this for a particular case. Although all these invitations to turn away from unanimity are subject to high hurdles, a delicate balance between national sovereignty and Community cooperation is evidenced here. Notably, though, the Treaty's provisions explicitly prohibit exemptions from unanimity for "decisions having military or defence implications", thus, from the CSDP framework (Art. 31 para 4 TEU). This shows that for the member states, there is a significant difference between articulating posi-

tions in foreign policy and pooling defence forces for joint military missions initiated at the EU level. The distinct relationship between member states and the different policy fields challenges the evaluation that the function of these institutions is "not simply to maintain national toes over CFSP and ESDP" (Bickerton, 2010, p. 173), as they highlight how member states' reluctance to give up sovereignty primarily depends on their impact on core state powers.

Combined with fears over a lack of sovereignty in the context of crisis resilience (Fiott, 2023), this interaction creates a compelling backdrop for this article investigating the notion of sovereignty in the context of European security and defence integration.

Table 1: Institutional designs across different levels of integration

| | pooling sovereignty: Council voting rule | delegating sovereignty: involvement of supranational institutions | | | |
|------------------------------------|---|--|----------------------------|----------------------------|------|
| | Council | European Commission | European Parliament | European Court of Justice | |
| 0 = no coordination at EU level | - | - | - | - | |
| 1 = intergovernmental coordination | unanimity | no right of initiative | no involvement | no judicial review | CSDP |
| 2 = intergovernmental cooperation | unanimity | right of initiative shared with Council | consultation | restricted judicial review | CFSP |
| 3 = joint decision-making I | unanimity | exclusive right of initiative | consultation / co-decision | full judicial review | |
| 4 = joint decision-making II | QMV | exclusive right of initiative | cooperation / co-decision | full judicial review | |
| 5 = supranational centralization | no involvement | unilateral decision | no involvement | full jurisdiction | |

Adapted from Börzel (2005, S. 221); Leuffen et al. (2022, S. 35)

III. Theoretical Framework

1. Security Policy: Between European Integration and International Relations

Crisis pressures have long catalysed continued European integration and institutional

change. After a prolonged period of political stability, the European Union increasingly faces multifaceted crises challenging its institutional governance design (Ferrara & Kriesi, 2022). As global order is transforming, the European foreign and security policy has been especially caught off guard by a deci-

sive turning point – a "Zeitenwende". It is the Russian full-scale attack on Ukraine that had profound implications for defence and security policy but also for potential institutional arrangements (Flockhart & Korosteleva, 2022, p.466). European actors increasingly pursue strategic sovereignty to claim and enforce common European interests. (Ondarza & Overhaus, 2022). Likewise, sovereignty equally is becoming a point of contention in the light of national autonomy, as actors are reeling from the uncertainty generated by the sudden changes in international order. In the context of European integration, inevitable and fundamental questions about the future of institutional mechanisms of EU foreign, security, and defence policy arise. These questions aim at balancing the desire for co-operation to preserve security and the re-

straint to transfer authority to a supranational level due to national sovereignty claims.

Addressing this balancing act, we propose a theoretical framework consisting of two dimensions. The first dimension employs international relations theory and investigates a shift from institutionalist towards neorealist considerations caused by global order changes, thus intensifying member states' pursuit

of power and security. Further, we account for the continued conflict of basing European integration and institutional designs on inter-governmental or supranational grounds, by building the second dimension around the issue of national autonomy, referring to member states' national identity.

Realism, specifically defensive neorealism, is the most suitable theoretical approach for

explaining the International Relations dimension, from our perspective, as it most accurately reflects the structural changes around the breakdown of current structures of global order, like in the case of Russia's invasion of Ukraine (Rösch, 2022; Smith & Dawson, 2022).

Before the recent onset of crises and the transformation of international order, we characterise institutionalist thought of the rationalist, utilitarian kind (Keohane et al., 1993)

as the dominant explanatory force for the behaviour of European states in foreign security and defence policy. In Institutional theory, states are unitary actors with rational choice preferences in an anarchical international system, though unlike in (neo)realism, power and security are not the most central interests. Institutionalism is characterised by the interdependence of state actors and their deci-

"The absolute loss of security may imply the loss of national self-rule, only leaving collective security as a solution to external existential threats. The states and their constituents thus may essentially engage in a trade-off of the two conceptions of sovereignty."

sively reciprocal interests (Keohane & Nye, 2012; Schimmelfennig, 2010). This, in turn, increases cooperation and, thus, security, as actors take the competing interests in the multipolar system into account and adjust (Keohane, 1984). This cooperative base structure of Institutionalism explains the progress of European integration in policy fields, e.g., economic rather than foreign policy. Europe has always – and still does strive for balance and the ability to keep up as a significant force.

As the international system is changing from a multipolar to a multi-order one (Ferrara & Kriesi, 2022), the field of International Relations now turns back to (neo)realism to understand the rise of assertive powers across the globe and the lack of a reliable transatlantic partner, thus triggering incentives of European integration (Leuffen et al., 2021).

Neorealists build on the balance-of-power theory, stipulating that the context of international anarchy consists of a disbalance of power which state actors aim to balance out depending on their perceived threats as a reactionary defensive (rather than offensive) measure (Waltz, 1990). The fundamental strategy of balancing – as opposed to bandwagoning – signifies *“allying in opposition to the principal source of danger”* (Walt, 1985, p.4) and is the primary neorealist mechanism inducing cooperation in the sense of alliance building. Neorealism’s aim for maximised security of the international relations dimension and its linkage with European integration in a multi-order world becomes most apparent in this context of anarchy and alliance building.

Turning to the second dimension, *political integration is defined as “the process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities toward*

a new centre” (Haas, 1958). European integration studies try to explain the mechanisms fostering the shift towards a new centre of power. Typically, they arrive at different conclusions on which actors are held responsible for the shift of power - states, civil society, supranational organisations - and what incentives triggered that shift - functional benefits, shared norms and values or pursuit of power.

The various strands of integration theory and their fitness to provide sufficient explanations are part of a complex field of study. Scholars have shifted away from trying to contrast different theories of integration (Smeets & Zaun, 2021). Instead, the classical integration theories are seen as more flexible and only partially refutable (Hooghe & Marks, 2019). In our theoretical framework, we therefore refrain from analysing individual integration theories and comparing them with each other, instead focusing on the continuum of institutional arrangements in European integration.

Recapitalising the current institutional arrangements in CFSP, and especially in CSDP, European integration progress has been rather dampened compared to other policy areas. While supranational institutional arrangements have become more prevalent, they still lack the robustness and frequency seen in other policy domains. Neither active cross-border exchange of needs and demands nor high discretion of supranational authorities can be observed (Leuffen et al., 2021). Although the Commission, as well as the European Court of Justice, are good at exploiting and expanding existing provisions to get a grip on influencing security policies from a supranational standpoint (Leuffen et al., 2021; Menon, 2013), this strategy has not yet led to a comprehensive supranation-

al framework for EU’s foreign security policy. Against this backdrop, Øhrgaard (2018) points out that the usual *“sui generis problem is exacerbated in the case of CFSP”* (p. 27). Perhaps the classic approaches of integration theory lose their explanatory power for the particular field of foreign and security policy. According to Hoffmann (1982), this has to do with the unique character of this policy field, which he assigns to *“high politics”*. High politics concern the vital interests of states, including their security and defence policy.

We propose that these vital interests of states alongside the concept of national identity reinforce member states’ aim of pursuing or protecting their national autonomy, as they remain apprehensive of transferring competencies to supranational institutions in policy fields of *“high politics”*. This creates a conflictual division between the goal of national autonomy on one dimension and the goal of security brought forward by neorealist accounts of global geopolitical shifts on the other dimension. Thus, both dimensions ultimately clash in the realm of sovereignty. Concerning that conflict, Menon (2013) identifies the following paradox prevalent in current European security policy:

“Strong functional pressures exist militating in favour of greater cooperation between European states in the area of defence, [...]. However, [...] states have clung to their prerogative in this sector, and integration has remained profoundly limited.” (p. 68)

2. Reconstructing Sovereignty: Two Faces

The addressed paradox arises because shifts in both the European Integration dimension and the IR dimension, threaten national sovereignty. Nevertheless, the different di-

mensions each pose a threat to a different expression, a different *face* of sovereignty. Depending on which face is apparent to the observer, they might come to diametrically opposed conclusions on European security and defence integration.

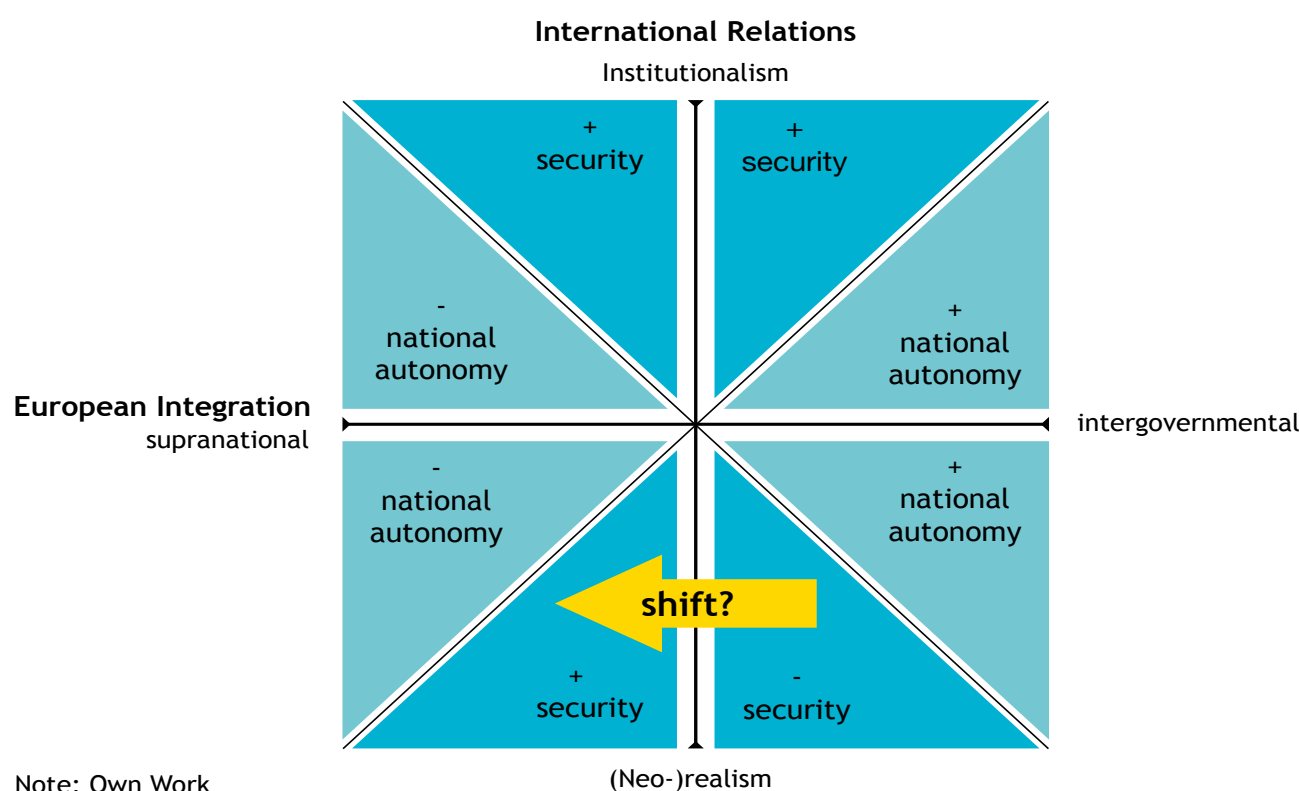
On the one hand, corresponding to the classic approach to sovereignty, we assess the intactness of sovereignty with regard to a nation’s capacity to protect its territorial integrity and its ability to defend its citizens against external threats, which may compromise its political, economic, or social stability (Makinda, 1998). This understanding aligns with the concept of security as protection from external threats. In our model, we therefore refer to that as the *security face*. At times of international interdependency and institutionalised interaction, the overall security level in Europe was rather high. Illiberal, imperialistic regimes that openly challenge these institutions endanger the security face of sovereignty, especially with regard to the *“war on Values”* (Modern Diplomacy, 2023).

On the other hand, we approach sovereignty with regard to the formal or informal transfer of competencies to a supranational level. For Krasner (2001), the European Union is, at its core, a *“product of state sovereignty”* because each member state has decided individually on its membership (p. 28). Due to the structural consequences of this membership for the political and constitutional autonomy of member states, the EU simultaneously undermines their national sovereignty. Within the dimension of European integration, actors focus on the advantages, but even more so on the disadvantages, that an increased integration dynamic means for the freedom of action and independence of the nation-state. In our model, we refer to that

gradual development as the *national autonomy face*. Furthermore, for one or both faces to be apparent, they must be relevant and thus salient in the deliberation of the benefits and deficits of integration. The consequences of a shift in the dimension of international relations for the security face of sovereignty are slowly revealed. The rise of a neorealist world order

threatens individual member states' territorial integrity and thus calls for a shift in the dimension of European integration. However, this shift poses a threat to the national autonomy face of sovereignty. This juxtaposition raises the question of the circumstances under which the two incentives meet, and which factors determine their respective assertiveness.

Figure 1: Reconstruction of sovereignty along two dimensions shaping EU's security policy



Note: Own Work

IV. Analysis

1. Security Policy and the Postfunctional Arena

To answer this question, we use a theoretical model that links the meaning of identity to the nature of political conflict. To address the shortcomings of the more classical theories of regional integration in their explanatory power for the public contestation of European integration, Hooghe and Marks

(2009) develop a postfunctionalist model. Their approach focuses on the politicisation of the integration process, which is based on identity and group dynamics. In their theory, politicisation is activated if two conditions are met: On the one hand, the tension between the impetus for changes in the jurisdictional architecture of the EU and the stability of identities confronted with this impetus must be salient. On the other hand, *“political entrepreneurs must mobilize the tension”* (Hooghe

& Marks, 2009, p. 13). Furthermore, one of the core assumptions on how identity shapes the conflict in the mass arena, most relevant to our analysis, is that *“identity [...] must be politically constructed”* (Hooghe & Marks, 2009, p. 12). At this point, we have to adapt a few conceptions to fit Hooghe and Marks' model with regard to our approach of using it as a means to explain the contestation of further integration of security policy. In our approach, the integration of foreign and defence policy is contested on two different dimensions: On the IR dimension, too little integration is contested as it may weaken Europe's security. On the European integration dimension, more integration is contested as it may weaken nation-states' authority. These potential consequences on both dimensions affect two faces of sovereignty that eventually stand in conflict with each other. Resolving this conflict shapes political identity and political actors will thus address the conflict in the postfunctional arena. For this to work, the tensions on both dimensions individually as well as the tension between the two dimensions, thus the two faces of sovereignty need to be salient and expressed by political actors.

However, once these prerequisites have been established, the processing of the issues of security policy can be tracked step by step in the post-functional model. In the beginning, a *“mismatch between function and form”* triggers the process (Hooghe and Marks, 2009, p. 9). Such a mismatch may occur if the functional integration pressure outpaces the development of corresponding political institutions and identities. As Menon (2013) correctly identifies, this is the case for a common foreign policy and security, and the changing international security situation reinforces this functional pressure. The ques-

tion is now whether or not political actors respond to the issue and take off its value for (national) identity.

If this mechanism of politicisation is successful, then actors will handle the issue in the so-called *“mass arena”*. This involves public engagement shaped by partisan/ideological dynamics (Hooghe and Marks, 2009, p. 9). The integration of security policy is prone to be politicised in two ways. On the one hand, authority being transferred to another entity, such as the EU, is in and of itself a conflictual topic that offers great potential to mobilise voters. Especially nationalist and traditional parties are increasingly making use of it. On the other hand, the relationship between the EU and the international arena has developed into a key driver of politicisation (Costa, 2019). Furthermore, at the nexus between those two stances lies the idea that the integration of *“core state powers”* such as defence policy is more prone to intensify politicisation (Moland, 2023, p. 1136). Given the two-fold, yet intertwined, way of politicisation of security integration, tensions over how deep integration is necessary or desirable in this field are played out in the mass arena. There, the conflict structure can be oriented towards a functional logic or, rather, a logic relating to ideas of identity (read sovereignty).

The conflict between both logics arises as *“the preference for self-rule is almost always inconsistent with the functional demand for regional authority”* (Hooghe & Marks, 2009, p. 2). While the authors assume a conflict between the two conflict logics (functional vs. identity-related), we postulate a conflict within the logic of identity but between the two faces of sovereignty. Moland (2023) acknowledges that pooling sovereignty to jointly exercise force internally (such as the

establishment of the Schengen area) could pose a greater threat to national autonomy than pooling sovereignty in order to exercise force externally (such as military missions in third countries). However, we believe that the threat actually stays the same, and what is decisive is the perception of benefits or safeguards that come along with the pooling of sovereignty. As the identity logic based on the security face of sovereignty overlaps the functional logic, we assume that due to the salience of external threats, the security face will be mobilised and will eventually mitigate the inconsistency between functional demands and national identity with regard to the integration of CFSP. This is because the postfunctionalist arena raises a conceptual division addressing two different faces of sovereignty and, thus, identity simultaneously. Leuffen et al. (2021) formulate as follows:

“Major issues divide the two camps: (i) whether national self-determination is illusory in an interdependent, globalised world [...] and (iii) whether national identities can be Europeanized.” (p. 157)

Making use of our previous theoretical background, it is convenient to dissect the quote into two parts. Firstly, the question about national self-determination is answered positively by referring to neorealism. It is the neorealist context of anarchy and power maximisation that forces states into cooperation and alliance-building only through the external threat to self-rule (Waltz, 1990). Neorealist scholar Kenneth Waltz (1990) also proposes another way of alliance-building: when enforced by a hegemonic power. In the context of the European security landscape, the United States and NATO come to mind. For the longest time and throughout conflicts like the Cold War, NATO has been the clear and

unquestioned guarantor of European security, even significantly supporting efforts of European defence coordination and integration (Lansford, 1999). Nevertheless, NATO, too, is not exempt from changes in security perception towards a multi-order world. Uncertainty around the reliability of the United States as a transatlantic partner (Benitez, 2019) is politicising the issue of European security, thus enabling European integration of foreign, security, and defence policy as member state actors pursue security.

Another important part of the conflict structure around NATO and European defence policy is the division around member states' general disposition on transatlantic cooperation, with two camps, Atlanticist and Europeanist, dividing Europe. Importantly, though, these divisions are perhaps unexpectedly strongly rooted in varying national identities (Jóhannesdóttir et al., 2004; Croci, 2008), which leads to the second question of the quote around the possible Europeanisation of national identities.

Harking back to Hooghe and Marks' (2019) model of politicisation, the conflict around European integration follows the identity logic, in which conflict is not primarily structured around distributional concerns (i.e. left and right) but instead alongside the dimensions of the green/alternative/left (gal) and the traditional/authoritarian/nationalist (tan) (Börzel & Risse, 2008). As thus the politics of European integration revolve around identity, it is necessary to differentiate between conflictive national and collective identities. Whilst national identity in the sense of our theoretical pursuit of autonomy is clear, collective identity remains a rather vague concept. We refer to collective identity as identities encompassing all European member states, as

well as elements of joint institutional design of integration, all the while differentiating it from larger global identities. Importantly, collective identity does not need to be harboured out of pure conviction; instead, other realistic strategic motives, like the protection of other identities, can induce the support of collective identity (Strikwerda, 2017).

The theoretical work of this article latched on to that, keeping in line with neorealist accounts and intensified by the breakdown of global order; it may cause the need for security to override the aim of national autonomy. The fundamental assumption is that there is a symbiotic relationship between sovereignty and security (Makinda, 1998, p. 281). The absolute loss of security may imply the loss of national self-rule, only leaving collective security as a solution to external existential threats. The states and their constituents thus may essentially engage in a trade-off of the two conceptions of sovereignty.

The winner takes it all? Mediating approaches

Like security (and even anarchy), European integration is not binary. Notably, the identity conflict between national and European collective identities is more nuanced in the actual post-functionalist mass arena, with public support for national identities correlating with support for the integration of core state powers. Politicisation is a one-way street: The European public will be confronted with the question of security, national autonomy, and supranational and intergovernmental integration. Whilst a decision towards one type of integration or the other will be made since sovereignty is to be understood as a *“continuum where the internal and external directions connect”* (Eckes, 2014, p. 20), the actual institutional design will probably

remain rather fluent, allowing for mediating approaches in reforming the institutional design of CFSP. Recapitulating the institutional factors which shape integration levels, there are two dimensions on which changes could occur.

Firstly, this regards the degree of pooling of resources among the member states, manifested by the decision-making process. The current *“consensus-based political system”* has produced a *“deadlock”* in light of international crises that also shape various lines of conflict between the member states (Zeitlin et al., 2019, p. 966). However, the Group of Friends on Qualified Majority Voting in EU Common Foreign and Security Policy (2023) points to the potential within the institutional framework. Significantly, these possibilities are reduced to the broader field of CFSP and do not apply to decisions in defence policy. However, once these procedures become institutionalised and prove efficient and legitimate even to deviating member states, the reluctance against corresponding treaty changes may fade. In order to compensate for the limitation of autonomy in decision-making, the fundamental concerns of states must be respected in decision-making. A combination of constructive abstention and the ace of vital interests seems appropriate. The latter provision might eventually build the basis for a *“gradual extension”* of a qualified majority vote (Thym, 2009, p. 11). This regulation's severe and consistent implementation is necessary to counteract its exploitation as a *“tool for norm contestation”* (EPRS, 2023, pp. 18-19) as is generally the case with unanimity in the Council.

Secondly, the EU can make institutional adjustments in the participation and empowerment of supranational institutions. It

is essential to recognise that the question of security is highly politicised. As such, any institutional design must prioritise transparency, accountability, and inclusivity to build public trust and legitimacy in EU security initiatives (Bendiek et al., 2018). Thus, the European Parliament is crucial in mediating the tension between national autonomy and collective security within the EU. However, due to the nature of CFSP as being generally reserved for the executive, it is perhaps more appropriate for Parliament to be given supervisory functions only (Bendiek et al., 2018) and, above all, should be involved in the longer-term strategic orientation of the CFSP as a forum for democratic debate. The exact nature of concerns about legitimacy and balance of powers between different actors apply to the lack of jurisdiction by the Court of Justice. Extending the role of the ECJ could also lead to a rise in external credibility, making the EU a robust and reliable actor on the international stage (Bendiek et al., 2018). The EU member states must realise that it is not a question of whether common resources in security policy must be managed together but rather how. However, they have room for manoeuvre when it comes to changes in habits and institutional reforms, in which they can mediate between two intertwined claims to sovereignty.

V. Conclusion

Our findings are twofold. First, we propose a theoretical framework which incorporates the dimensions of International Relations and European integration. The former relates to a neorealist assumption of global security ruptures in an increasingly multi-order world. Member states are incentivised to seek cooperation and alliance building strategies by integrating defence policy, as they fear their

external security will be compromised. The latter dimension instead revolves around conceptions of identities referring to national interest of autonomy opposed to European integration. Thus, it is suggested that the conflict of European integration in foreign, security, and defence policy constitutes two different “faces” of sovereignty. Sovereignty is either conceptualised as a nation’s ability to defend itself or as the degree of national transfer of competencies to supranational European institutions.

Secondly, the key to the assertiveness of each juxtaposed conception of sovereignty is public contestation. Employing the postfunctionalist model of politicisation, we identify a “mismatch between function and form” as a changing global order leaves current institutional arrangements outdated, politicising the security issue. A subsequent mobilisation of the security “face” of sovereignty challenges the opposed face of autonomy as the public rallies around identity logic divisions.

Significantly, the process of politicisation is non-reversible in the short term, although varying institutional design tweaks may soften the blow and mediate between the two conflicting positions. In any case, the European public will be faced with the decision of whether a continued protection of the national autonomy “face”, all the while jeopardising European security, is worth it. Member states and their citizens must grasp that sharing sovereignty within Europe does not entail a loss of autonomy but rather signifies a bolstering of sovereignty in an increasingly globalised milieu. José Manuel Barroso encapsulated this sentiment in his 2012 State of the Union Address when he stated that «sharing sovereignty in Europe means being more sovereign in a global world.»

Bibliography

Keohane and Hoffmann, 1991, Cited in Brickerton, 2010, p. 173.

Bendiek, A., Kempin, R., & Ondarza, N. von. (2018). *Qualified Majority Voting and Flexible Integration for a More Effective CFSP? - A Critical Examination of the EU’s Options*. Stiftung Wissenschaft und Politik.

Benitez, J. (2019). U.S. NATO Policy in the Age of Trump: Controversy and Consistency. *The Fletcher Forum of World Affairs*, 43(1), 179–200. JSTOR.

Bickerton, C. J. (2010). Functionality in EU Foreign Policy: Towards a New Research Agenda? *Journal of European Integration*, 32(2), 213–227. <https://doi.org/10.1080/07036330903486045>

Börzel, T. A., & Risse, T. (2009). Revisiting the Nature of the Beast – Politicization, European Identity, and Postfunctionalism: A Comment on Hooghe and Marks. *British Journal of Political Science*, 39(1), 217–220. <https://doi.org/10.1017/S000712340800046X>

Costa, O. (2019). The politicization of EU external relations. *Journal of European Public Policy*, 26(5), 790–802. <https://doi.org/10.1080/13501763.2018.1478878>

Croci, O. (2008). Not a Zero-Sum Game: Atlanticism and Europeanism in Italian Foreign Policy. *The International Spectator*, 43(4), 137–155. <https://doi.org/10.1080/03932720802486498>

Duke, S. (2000). *The Elusive Quest for European Security*. Palgrave Macmillan UK. <https://doi.org/10.1057/9780230509672>

Eckes, C. (2014). How the European Parliament’s participation in international relations affects the deep tissue of the EU’s power structures. *International Journal of Constitutional Law*, 12(4), 904–929. <https://doi.org/10.1093/icon/mou067>

EPRS, E. P. R. S. (2023). *Qualified majority voting in common foreign and security policy -A cost of non-Europe report*. European Parliament.

European Union External Action Service. (2020, Oktober 29). *Several Outlets—Europe Must Learn Quickly to Speak the Language of Power*. https://www.eeas.europa.eu/eeas/several-outlets-europe-must-learn-quickly-speak-language-power_und_en

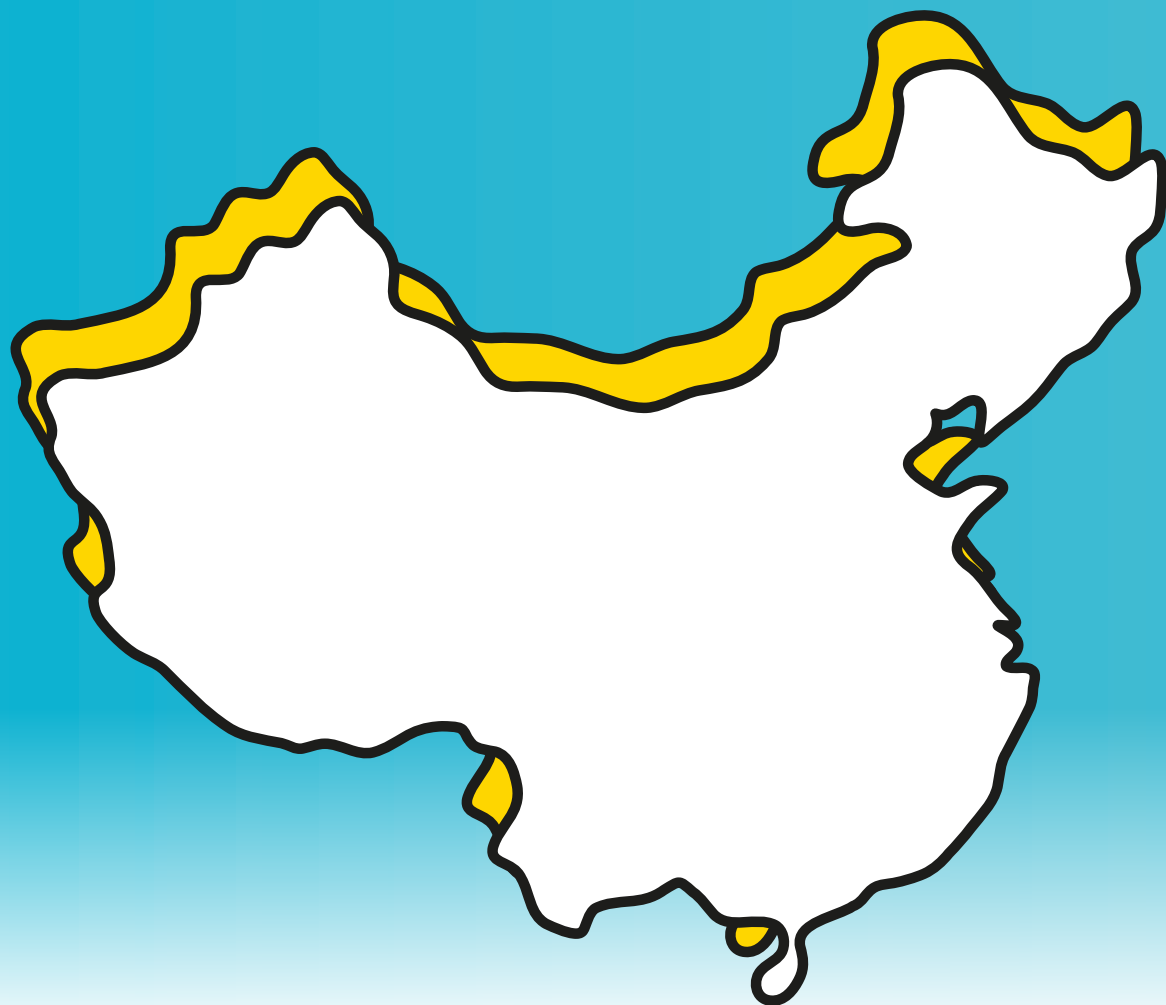
Ferrara, F. M., & Kriesi, H. (2022). Crisis pressures and European integration. *Journal of European Public Policy*, 29(9), 1351–1373. <https://doi.org/10.1080/13501763.2021.1966079>

Fiott, D. (2023). In every crisis an opportunity? European Union integration in defence and the War on Ukraine. *Journal of European Integration*, 45(3), 447–462. <https://doi.org/10.1080/07036337.2023.2183395>

Flockhart, T., & Korosteleva, E. A. (2022). War in Ukraine: Putin and the multi-order world. *Contemporary Security Policy*, 43(3), 466–481. <https://doi.org/10.1080/13523260.2022.2091591>

Haas, E. B. (1958). *The uniting of Europe: Political, social, and economic forces, 1950-1957*. University of Notre Dame Press.

- Hill, C. (Hrsg.). (1996). *The actors in Europe's foreign policy* (1. publ). Routledge.
- Hoffmann, S. (1966). *Obstinate or Obsolete? The Fate of the Nation-State and the Case of Western Europe*. *Daedalus*, 95(3), 862–915. JSTOR.
- Hoffmann, S. (1982). *Reflections on the Nation-State in Western Europe Today**. *JCMS: Journal of Common Market Studies*, 21(1), 21–38. <https://doi.org/10.1111/j.1468-5965.1982.tb00637.x>
- Hooghe, L., & Marks, G. (2009). *A Postfunctionalist Theory of European Integration: From Permissive Consensus to Constraining Dissensus*. *British Journal of Political Science*, 39(1), 1–23. <https://doi.org/10.1017/S0007123408000409>
- Hooghe, L., & Marks, G. (2019). *Grand theories of European integration in the twenty-first century*. *Journal of European Public Policy*, 26(8), 1113–1133. <https://doi.org/10.1080/13501763.2019.1569711>
- Jóhannesdóttir, A., Stahl, B., Boekle, H., & Nadoll, J. (2004). *Understanding the Atlanticist–Europeanist Divide in the CFSP: Comparing Denmark, France, Germany and the Netherlands*. *European Foreign Affairs Review*, 9(Issue 3), 417–441. <https://doi.org/10.54648/EERR2004030>
- Keohane, R. O. (1984). *After hegemony: Cooperation and discord in the world political economy*. Princeton university press.
- Keohane, R. O., & Nye, J. S. (2012). *Power and interdependence* (4. ed). Pearson.
- Keohane, R. O., Nye, J. S., Hoffmann, S., & Harvard University (Hrsg.). (1993). *After the Cold War: International institutions and state strategies in Europe, 1989–1991*. Harvard University Press.
- Krasner, S.D. (2001). *Sovereignty*. *Foreign Policy*, 122, 20. <https://doi.org/10.2307/3183223>
- Lansford, T. (1999). *The triumph of transatlanticism: NATO and the evolution of European security after the cold war*. *Journal of Strategic Studies*, 22(1), 1–28. <https://doi.org/10.1080/01402399908437742>
- Leuffen, D., Rittberger, B., & Schimmelfennig, F. (2021). *Integration and Differentiation in the European Union: Theory and Policies*. Springer International Publishing. <https://doi.org/10.1007/978-3-030-76677-1>
- Lübckemeier, E. & Stiftung Wissenschaft Und Politik. (2021). *Standing on our own feet?: Opportunities and risks of European self-defence*. SWP Research Paper. <https://doi.org/10.18449/2021RP01>
- Makinda, S. M. (1998). *Sovereignty and Global Security*. *Security Dialogue*, 29(3), 281–292. <https://doi.org/10.1177/0967010698029003003>
- Menon, A. (2013). *Defence Policy and the Logic of 'High Politics'*. In P. Genschel & M. Jachtenfuchs (Hrsg.), *Beyond the Regulatory Polity?* (S. 66–84). Oxford University Press. <https://doi.org/10.1093/acprof:oso/9780199662821.003.0004>
- Moland, M. (2023). *Constraining dissensus and permissive consensus: Variations in support for core state powers*. *West European Politics*, 46(6), 1133–1155. <https://doi.org/10.1080/01402382.2022.2104052>
- Øhrgaard, J. C. (2018). *International relations or European integration: Is the CFSP sui generis?* In *Rethinking European Union foreign policy*.
- Ondarza, N. von, & Overhaus, M. (2022). *Rethinking strategic sovereignty: Narratives and priorities for Europe after Russia's attack on Ukraine*. <https://doi.org/10.18449/2022C31>
- Rösch, F. (2022). *Realism, the War in the Ukraine, and the Limits of Diplomacy*. *Analyse & Kritik*, 44(2), 201–218. <https://doi.org/10.1515/auk-2022-2030>
- Ruane, K. (2000). *The Rise and Fall of the European Defence Community*. Palgrave Macmillan UK. <https://doi.org/10.1057/9780230599086>
- Salmon, T. C. (1992). *Testing times for European political cooperation: The Gulf and Yugoslavia, 1990–1992*. *International Affairs*, 68(2), 233–253. <https://doi.org/10.2307/2623213>
- Schimmelfennig, F. (2010). *Europeanisation Beyond the Member States*. *Zeitschrift für Staats- und Europawissenschaften*, 8(3), 319–339. <https://doi.org/10.5771/1610-7780-2010-3-319>
- Smeets, S., & Zaun, N. (2021). *What is intergovernmental about the EU's '(new) intergovernmentalist' turn? Evidence from the Eurozone and asylum crises*. *West European Politics*, 44(4), 852–872. <https://doi.org/10.1080/01402382.2020.1792203>
- Smith, N. R., & Dawson, G. (2022). *Mearsheimer, Realism, and the Ukraine War*. *Analyse & Kritik*, 44(2), 175–200. <https://doi.org/10.1515/auk-2022-2023>
- Strikwerda, J. (2017). *Sovereignty at stake? The European Commission's proposal for a Defence and Security Procurement Directive*. *European Security*, 26(1), 19–36. <https://doi.org/10.1080/09662839.2016.1255198>
- The Group of Friends on Qualified Majority Voting in Common Foreign and Security Policy. (2023). *Joint Statement of the Foreign Ministries on the Launch of the Group of Friends on Qualified Majority Voting in EU Common Foreign and Security Policy*.
- The World faces a War of Values. (2023, April 5). *Modern Diplomacy*. <https://modern-diplomacy.eu/2023/04/05/the-world-faces-a-war-of-values/>
- Thym, D. (2004). *Reforming Europe's Common Foreign and Security Policy*. *European Law Journal*, 10(1), 5–22. <https://doi.org/10.1111/j.1468-0386.2004.00200.x>
- VOA, N. (2022, November 19). *China, Russia Seek „Might Makes Right“ World, Says US Official*.
- Walt, S. M. (1985). *Alliance Formation and the Balance of World Power*. *International Security*, 9(4), 3. <https://doi.org/10.2307/2538540>
- Waltz, K. N. (1990). *REALIST THOUGHT AND NEOREALIST THEORY*. *Journal of International Affairs*, 44(1), 21–37. JSTOR.
- Whitman, R. G. (1998). *From civilian power to superpower? The international identity of the European Union*. Macmillan Press ; St. Martin's Press.
- Zeitlin, J., Nicoli, F., & Laffan, B. (2019). *Introduction: The European Union beyond the polycrisis? Integration and politicization in an age of shifting cleavages*. *Journal of European Public Policy*, 26(7), 963–976. <https://doi.org/10.1080/13501763.2019.1619803>



How to Hug a Panda:

Responding to Chinese Geopolitical Contestation With the West



Alexander Yen

Alexander is a doctoral student in international relations at the University of Oxford where he concentrates on the sociology of rising powers through the lens of diplomatic language at the United Nations. This follows successful Master's (Distinction) and Bachelor's (First-Class Honours) degrees at the same institution which nurtured his interest in Chinese history and politics which remains a core part of his research. He retains a lively interest in other aspects of international and domestic politics.



Aron Roosberg

Aron Roosberg (*2001) currently studies at the National Defense College in Stockholm and has a background in the armed forces. He is particularly interested in the interaction between politics and the military, seeking to understand the full spectrum of security policy. He also has a long-standing history of civilian involvement with Swedish-EYP and the United Nations Association of Sweden.

Introduction

China's rapid rise has prompted an extensive reevaluation of national security, technological competition, and trade dependencies in the West. China's status as the world's second-largest economy and its global ambitions have stirred concerns, particularly its "new assertiveness" in areas such as the South China Sea, sponsorship of the Asian Infrastructure Investment Bank, and the Belt-and-Road Initiative (World Bank, 2022; Johnston, 2013, p.7). Recent strategy documents published by major Western nations all name China and Chinese actions as of geopolitical concern (USG 2022, HMG 2023; Republique Francaise 2022).

This article seeks to address how the West is influenced by China and how it can effectively respond to the challenges this influence poses. It begins by examining recent flashpoints that underscore China's geopolitical competition with the West and then outlines the current challenges across various fronts, including the West's relationship with developing countries, institutions, markets, and civil society. It then proposes policy solutions focused on leveraging the attractiveness of Western society to tackle these challenges effectively.

1. Flashpoints

This section highlights recent flashpoints. These flashpoints underscore how China seeks to redefine the rules-based world order that has enabled the West to influence international affairs. Consequently, the flashpoints provide an illustration of the increasing tensions between the West and China (Blinken, 2022).

A recent flashpoint can be found in the 2023 BRICS summit in South Africa. The sum-

mit highlighted the importance China attributes to its relations with the Global South in challenging the West, seeing these potential allies as allegiances to be denied to the West in the future. With around 40 countries allegedly interested in joining BRICS (Reuters, 2023), this could further strengthen the case for a redefined international order, making good reason for worry in the West.

China is also further strengthening what Foreign Minister Wang Li called its "better than allies"-partnership with Russia (Apps, 2021, para.1). Besides being authoritarian states with little interest in the prevailing international order, combining their resources and narratives allows for a more permissive environment for authoritarian practices in international affairs. This is demonstrated by China's relativization and support for the Russian invasion of Ukraine, for example by spreading conspiracy theories through state run media regarding Russian war crimes in Bucha (Mozur et.al., 2022), as well as exporting "dual-use" equipment, like drone parts, body armour and navigation equipment (Rettman 2023; Banco & Aarup 2023; Faucon & Talléey 2023; Kyodo News 2023).

While gathering support for the organisational overhaul of the rules-based order, China also demonstrates its contempt for international law through its own conduct in global affairs, especially in the South China Sea (hereafter SCS). Despite having its historical claim to the region, often referred to as the "nine-dash line", declared void by the Permanent Court of Arbitration at the Hague (PCA, 2016), China continues to strengthen its bid for regional dominance. The Paracel Islands alone now host around 20 military outposts, some equipped with airfields and advanced radar stations (Mandhana, 2023).

Furthermore, by constructing these bases, China violates the sovereign territories of the littoral states in the region, as dictated by the UN Convention on the Law of the Sea (UNCLOS) of which China is a signatory (UN, 1982).

Contestation:

Contestation refers to the act of challenging or disputing something, often a belief, idea, or authority. It involves engaging in debates, arguments, or protests to assert an alternative viewpoint or to question the validity of established norms or structures. Contestation can occur in various contexts, including politics, academia, social movements, and legal proceedings.

sizing that “there is only one China in the world, and Taiwan is an inalienable part of China” (Cook, 2023, para.8). Taiwanese sovereignty has become a vital interest for the West in the region, partly because of Taiwan's geopolitical role as the largest island in the so-called first island chain (Holmes, 2014). As a part of the first island chain, Taiwan contains China’s access to the Pacific. Furthermore, Taiwan is the world's largest producer of semiconductors, producing vital components supplying most industries globally. With the US vowing to defend Taiwan, the US and China are poised to militarily clash over Taiwan should China seek “reunification” with the island (Ray, 2022).

In summary, the flashpoints illustrate China’s strategy in challenging the West. China systematically weakens the rules-based world order and highlights its shortcomings. With the rules-based order weakened, China uses the void to increase its power and present itself as a feasible alternative.

Figure 1
The South China Sea and the Nine-Dash Line



Note: Reproduced from the public domain (VOA, 2012).

The geopolitical significance of China’s conduct in the South China Sea must also be viewed in light of the natural resources found in the region. An estimated 11 billion barrels of oil and 190 trillion cubic feet of natural gas lie beneath its seabed (CPA, 2023). Moreover, the South China Sea accounts for 10% of global fishing (Varley et.al., 2020) and serves as a vital trade route connecting eastern Asia with Europe and Africa, facilitating one-third of all global trade (UNCTAD, 2016). Though the US is not a signatory of UNCLOS, it is now its main enforcer in the region, painting an ironic picture where a non-signer of the international “constitution of the oceans” is reminding a ratifier of its commitments to international law (Hayton, 2021).

China’s long-standing political objective of reunification with Taiwan, also places it in contestation with the West (Bush, 2019). In June 2023, Chinese foreign ministry spokesperson Mao Ning reiterated China’s position, empha-

2. Particular Arenas of Competition

In this next section, we move from specific cases and incidents in recent headlines to a thematic examination of the challenges China poses to the West. The aforementioned flashpoints highlight how China poses a geopolitical challenge to the West through its recent actions abroad, but our presentation here highlights more long-term areas of competition and contestation. We present three major themes: competition from China in the field of international development and support for developing countries, challenges posed to Western public institutions and markets, and challenges posed to Western civil societies.

2.A Developing Countries

China and the West are competitors in the field of international development and support for developing countries to the detriment of Western resource supplies and support for Western political initiatives in international institutions. At the moment, China is “eating [the West’s] lunch” when it comes to international development in Africa, illustrated for example with reference to net capital flows between the US and Africa (Dev-erment, 2018, para. 2).

What this means is that China gains an edge in political and economic influence in

Figure 2
Chinese FDI vs. US FDI to Africa, Flow



Note: Graphic produced from data by CARI (2024).

these countries, including in terms of access to mineral resources such as cobalt, lithium, and rare earth metals which are vital for continued Western economic development and technological advancement. These minerals

are critical to the green energy transition and the West is poised to spend “hundreds of billions of dollars to try to catch up” (Burrier and Sheehy, 2023; Dempsey and Cotterill, 2023, para. 8). But China can also leverage its influ-

ence in these countries to garner “support of African countries...to legitimise its global aspirations through the UN-based international system” (Yu, 2022, para. 19). This risks creating an à la carte world order of countries that stand with the West sometimes and against it at other times (Russell, 2023, para. 5), with fracturing consensus on a Western-led rules-based international order (Handy and Djilo, 2022; Murithi, 2023), that disadvantages the West. Together, the prospect seems to be for the diminishing of the West’s influence over developing countries, access to material resources—especially those required for critical projects such as the green energy transition—and support for Western positions on the international stage.

Why has China been so successful? Chinese capital is said to be attractive because of a “no questions asked” orientation, free from any ideologically rooted criteria on democracy or respect for human rights (Batty, 2019). Compared, as Ross (2023) argues, to Western states and their representatives who are often freighted with the baggage of colonialism and perceived as preachy, the “legacy of 1960s and 1970s Third-Worldism” and its winds of anti-colonialism and anti-racism which animates some African leaders and populaces means China and other international partners, such as Russia, are perceived more favourably (Handy and Djilo, 2022, para. 6). China’s growing international political influence, garnered from developing countries, produces disadvantages for the West by increasing her resources for broader strategic competition.

But recognition of the disadvantages of relying on China appear to be materialising. A study has shown that China’s interest in Africa, proxied by foreign direct invest-

ment by sector, remains in resource exploitation: resource-rich countries receive an overwhelming share of Chinese FDIs in Africa (Yu, 2022). Tang (2016) concedes that it is not inaccurate to say that Chinese enterprises in Africa employ disproportionate numbers of expatriate workers, pay low wages and are reluctant to spend on improving working conditions. Such practices that do not conduce domestic development may be said to lie behind labour disputes, sometimes fatal, between African employees and Chinese investors past (BBC, 2010) and present (Chingono, 2020). Even at the supranational level, questions can be asked about the advantages of China-backed development, as shown by the allegations of integration of electronic espionage equipment into the Chinese-funded and -constructed headquarters of the African Union (Tiezzi, 2018). Shifts in both popular and elite perceptions of China are only tantalising (Kinyodo, 2019; Rapanyane, 2021), but an appropriate strategy that exploits these shortcomings in Chinese investment and developmental assistance may tilt the balance back in the West’s favour and secure the strategic advantages that political influence over the developing world may bring.

2.B Western Institutions and Markets

Closer to home, Chinese influence over institutions and governments in Western countries has been growing. In the higher education sector in the United Kingdom, a 2023 study has highlighted the “strategic dependence” of British universities on Chinese-linked funding (Clark, 2023). Investments stemming from sources linked to the Chinese military-industrial complex have also raised the prospect of

Western technological breakthroughs being used to advance Chinese military capability (UKCT, 2023). Other avenues of Chinese state influence include the much-touted Confucius Institutes, where efforts to conceal Chinese state involvement appear to be linked to efforts to impede the freedom of academic and campus-based expression (Dunning & Kwong, 2022).

Outside academia, the Chinese state is actively infiltrating the Western private sector, bolstering its influence and undermining Western countries. By utilising capital markets, Chinese entities, often state-backed or supported by state-run banks, are acquiring Western high-tech assets and research facilities, aiming to propel China ahead of foreign competitors (Le Corre and Sepulchre, 2016; Braw, 2020, para. 8). In instances where direct acquisition faces obstacles due to increased government scrutiny, Chinese capital is directed towards collaborations in research and development, facilitating technology and expertise transfers beneficial to China’s state and military (Kratz et al., 2020). Looking at academia and the private sector, the deep penetration of Chinese capital into Western public institutions and markets can be seen. The direct consequence of this is to raise the prospect of access to cutting-edge technology, funded in part by Western publics and governments and made possible by innovative environments in Western laboratories and Western-trained scientists, being acquired and deployed by the Chinese state. Though this may not be the industrial espionage touted in Western governmental or think-tank reports (US Senate, 2019; CSIS 2023) or briefings by intelligence officials (Siddiqui, 2023), even as a “benign”, or at least legal, form of technology, knowledge, and expertise acquisition, such activity may tend to diminish

the technological or military advantages of the West. A loss of geopolitical advantage in the form of hard power superiority and soft power attractiveness due to such activities would certainly lead to the weakening of the West’s position vis-à-vis China in any coming geopolitical conflict.

Indirectly, the importance of Chinese trade and Chinese capital in Western markets, societies, and institutions may mean Western officials and politicians are wary of the consequences of alienating China. Exemplifying this, a recent report co-authored by a former UK universities minister highlighted the need to be wary of the entrenched reliance of UK universities on income from Chinese international students and research funding (Adams et al., 2022) The ownership of Western companies by agents of the Chinese state may lead to concerns that decisions detrimental to Western societies, such as closures or redundancies, could be made should Western politicians take a harsher stance towards China. With regard to research, there might be legitimate concerns that “he who pays the piper calls the tune”: alignment of academics and other civil society institutions with China and Chinese interests with attendant negative consequences for domestic pressure for foreign policy against Western national interests. It is apparent that Chinese involvement in Western institutions, societies, and markets can be a source for concern against the backdrop of geopolitical contestation.

But countervailing trends are now appearing. Increasing attention is being paid to these engagements and collaboration and securitisation of these activities is now underway. Decisional paralysis in the past, especially post the 2008 Financial Crisis, when Western governments reluctant to lose out on the

temptation of Chinese capital faced a coordination problem in de-risking from China, has given way to growing agreement on the need to address the prospect of geopolitical contestation. As a result, increasing attention is being paid to these engagements and collaboration and securitisation of these activities is now underway.

2.C Western Civil Society

But Western societies also face challenges from less organised private activity, particularly involving Chinese investment. Firstly, Chinese demand has had a big role in the growth of house prices in desirable Western locations. A recent study by the Wharton School of the University of Pennsylvania highlights that between 2012 and 2018, "house prices grew 8 percentage

A lack of coordination and unwillingness to be hard-headed, it would seem, are the main disadvantages of the West in acting against Chinese contestation.

points more in U.S. zip codes with high foreign-born Chinese populations" (Gorback and Keys, 2022, p. 2). Though the American statistics show that foreign buyers only account for slightly more than 2% of overall residential property transactions by dollar volume (Christopherson, 2023), these transactions are concentrated in already oversubscribed locations; Chinese buyers moreover have, since 2013, contributed the most by dollar amount to those purchases. According to leading UK estate agent Winkworth, the same phenomenon can be seen in the UK (Winkworth, 2023). What does this imply for

Western societies? The fraying of domestic political stability owing to growing inequality, as seen in the rise of populism in Europe and North America, is supercharged by investment from abroad which has the additional effect of displacing locals from the housing market.

That this happens due to the movement of those who may be hostile to Western national ideals and projects (but who are attracted purely to the convenience - in terms of capital

or social environment - of living in the West) is doubly concerning. This is a point obliquely made by observing the rise in state-directed political activity of Chinese international students in Western universities, such as when talks by public figures such as the Dalai Lama (Saul, 2017), or protests in sympathy with

the people of Hong Kong (Zhou, 2019), were subject to pro-China agitation. This demonstrates the potential for the extension of Chinese state influence via seemingly innocuous civil society organisations because many of these activities are coordinated or take a lead from Chinese Students and Scholars Associations (CSSAs), which exist in universities across the Western world. Though often disclaiming it, CSSAs are, according to US State Department Research, intimately connected to the ruling Chinese Communist Party via the United Front Work Department (USG, n.d.; Bowe, 2018, p. 11).

What such observations prompt are questions about what happens to these students post-education. Where a sojourn at a Western university leads, perhaps via employment, to the acquisition of residency, permanent residency, or citizenship, a hidden or overlooked constituency of potential agents of Chinese state influence emerges (Satter and Singh, 2023). It must be borne in mind that Chinese origin/ethnicity is not a prerequisite for bad faith advocacy for the interests of the Chinese government in the West. This is amply demonstrated by the recent high-profile case of Belgian politician Frank Creyelman, who accepted bribes from a Chinese Ministry of State Security official to influence European Union discussions (Sevastopulo, 2023). But bad faith political participation and incompatibility with Western values of certain forms of government-influenced associations and peoples may prove problems for an open, liberal society that is by that token more easily infiltrated and subverted, becoming concerning when placed against the background of heightened geopolitical contestation.

3. Ways to Respond

How can Western societies and governments respond? This section argues that the advantages of favourable capital and social environments of Western society should be harnessed to counter China's challenge. However, the ensuing section also highlights that for an effective response, the West has to increase the coordination of its efforts.

3.A Advantages: Capital and Social Environment

The main advantages of Western society are those that make it attractive to those in non-Western states, in particular the elites of those states: the capital and social environment in the West.

Revealed preferences show that Western or Western-adjacent jurisdictions continue to be the safest places to situate capital. This can be seen by affluent Chinese transferring their money to Western countries. The urge to do so is marked by the fact that some are even turning to unregulated, unofficial, and informal facilitation mechanisms to circumvent Chinese capital outflow restrictions (Chen, 2023). Physical movement also shows this: the high-net-worth movement consultancy Henley & Partners reported that China recorded in 2022 and is poised to record in 2023 the biggest outflows of high-net-worth individuals (HNWIs) of any country (Henley & Partners, 2023). Of the top five destinations of HNWIs Australia, the United Arab Emirates (UAE), Singapore, the US, and Switzerland, two are Western countries, one is European, and plausibly in the West, and one touts a Western (and indeed English) common law system. Of course, this environmental favorability is not solely impressionistic but is reflected in rule of law and property rights metrics, including freedom from corruption metrics, where the West (a representative sample taken of Australia, France, Germany, the United Kingdom, the United States) and Western-adjacent (Singapore, Japan) states lead China by a large amount (Valev et al., 2024). These metrics are important because those who possess capital are interested in its growth and preservation (Fontinelle, 2023): security from arbitrary confiscation, predictability of redistributive policy, ease of capital movement, and freedom from corruption are hence important. "At least when I'm here, I know my money is mine" seems to be a familiar and oft-repeated sentiment (AFP, 2023, para. 16).

Closely allied to the capital environment is the social environment, including educa-

tional, work, and legal aspects. First among the relevant metrics are the rule of law and social freedom, on which the West again leads China (Freedom House, 2024). Recent events such as the prolonged COVID-19 societal control measures, which far outstripped Western counterparts in severity (Huang and Han, 2022; Lyu et al., 2023), have highlighted differences in the rule of law and social freedom (Chen, 2023). Trends such as the “lying flat” (tangping) (BBC, 2021) or “we are the last generation” (women shi zuihou yidai) (Yu, 2023) betray the high pressure environment of studying (Hao, 2019) and working (Li, 2017) in China. These sentiments are perceived to be in contrast to that of Western societies, which not only offer more legal protection, but also a welfare perspective. Recalling our earlier focus on the higher education sector, universities located in the West also rank higher and offer more prestigious diplomas (THE, 2024).

For more independently-minded individuals, legal protections of freedom of speech and expression may be important: protest, either against the Chinese government or Western governments, is less likely to bring sanctions. Being in the West may also confer the advantage of relative immunity from persecution by the Chinese government. Because of the government’s outsized role in all aspects of society in China (McGregor, 2019), guanxi (connections) and corruption are often important ways to amass capital (Dai, 2017). But if officials are purged, then such persons who have benefited may become targets for enforcement action. Residency or even citizenship in the West would appear, then, to be an advantage.

And collectively, the West maintains several advantages over China. While China has

surged ahead of the US in patent applications, other metrics such as research and development (R&D) spending by GDP indicate Western nations’ continued outperformance (World Bank, 2023). Demographically, the United States has sustained a higher population growth rate since 1991, a lower median age since 2021, and a more balanced age distribution (StatisticsTimes, 2024). The triple challenges of “deflation, debt, and demographics” facing China post-COVID-19 have diminished its competitiveness and appeal (Hanlon, 2023, para. 1).

Despite China’s rise, the West still possesses key advantages. Effectively leveraging these strengths, while addressing outlined weaknesses, is essential in navigating the geopolitical competition with China.

3.B Political Disadvantages

The challenges facing the West are predominantly political: foremost, coordination. Since China’s accession to the WTO in the 2000s, and particularly over the past decade, Western nations have grappled with a classic prisoner’s dilemma. The allure of cheap imports and capital from China, along with the lucrative Chinese market for Western companies, has often led to a situation where prioritising geopolitical contestation out-of-step with other Western nations could result in retaliatory actions detrimental to the domestic economy, national interests, and even political careers (Cha, 2023). Conversely, leaders like Prime Minister David Cameron of the UK, who pledged to foster a “golden era” of UK-China relations, could expect investment and trade benefits (Reuters, 2015).

With a “hiding and biding” China appearing less threatening from a geopolitical front, this may have seemed a good idea. But

Western countries that have enabled China’s rise by contributing both capital and technology are now finding that this is to their chagrin as China threatens to overtake them and cement a strengthened geopolitical position from which tough competition, or even hard conflict, may result. Concerted action at an earlier stage in the process may have been able to delay or even prevent this.

Another aspect of the lack of political commitment has been an unwillingness to face up to the realities of Chinese infiltration, as seen in the Christine Lee incident where the British Security Service warned of a Chinese agent in Parliament (Corera and Scott, 2022, para. 1). This particular individual had been well known to China-watchers as a political agent of the CCP since 2020, where she, and her activities and connections, is mentioned by name (Hamilton and Ohlberg, 2020, p. 125). That two diligent academics knew more than the nation’s security services seems unlikely. What is more likely is that the official hand was stayed by countervailing concerns. Western societies, often proud of their commitment to liberal values, have in the past struggled with addressing the paradox of liberalism and conceiving of or instituting distinctions based on geopolitical enmity.

A lack of coordination and unwillingness to be hard-headed, it would seem, are the main disadvantages of the West in acting against Chinese contestation. A strategy that ameliorates these two fundamentally political aspects, therefore, would be of immense use.

3.C The Response

As illustrated above, the West boasts an advantage over China regarding the social and capital environment. Nevertheless, coordination between Western states remains insufficient. Consequently, the next section

seeks ways to improve coordination, enabling Western states to capitalise on their advantages and present a united front against China.

As highlighted throughout this article, China effectively harnesses its vast resources and institutions towards its economic and geopolitical goals, yet its solitary approach limits its potential to its own means. By contrast, Western multilateral organisations such as the EU and NATO can leverage the diverse strengths of their members, resulting in an edge if only members could coordinate seamlessly. But achieving the necessary coordination against the headwinds of the allure of trade and cooperation with China will require political will on the part of Western states. Managing the needs that leave Western societies open to this, such as by “de-risking” and “friend-shoring”, will be conducive to the strengthening of political will as well by reducing the pull factors that attract the West to China (EUP, 2023, para.1). Introducing coordination mechanisms that create incentives for compliance (such as free movement of peoples and capital, access to markets) and disincentives for non-compliance with a unified policy on China would also strengthen the Western position in dealing with Chinese geopolitical contestation.

Another way to create a unified approach to the EUs “systemic rival” (EEAS, 2023, para.1) is to establish a set procedure for interactions with China. If the EU is to have a unified approach, then the respective diplomatic shuttle traffic between its members and Beijing must become channelled through the established institutions of the EU. Despite this demanding substantial diplomatic autonomy from the EU member states, it would certainly paint a better and more coherent picture than that of the Macron- and der Leyen visit

in 2023. The visit, aiming to display European unity instead turned into damage control following Macron's comments regarding the European need for independence towards China, as well as the US (Benner, 2023).

Building on improved capacities for collective action, the West could win back developing countries through a programme of international engagement that highlights the disadvantages of Chinese engagement. This also demands attentiveness to the views of developing country populations and elites, and does all this while imposing conditions that advance Western interests not only for states, but for citizens. If the views of the countries in question are not addressed at their root, then Western ambitions of gaining new partnerships will become ultimately fruitless, and China will remain unchallenged in these regions and free to enjoy the benefits undisturbed.

Beginning from an agreement that each country must pursue its own developmental path, a simultaneous recognition of freedom of action in terms of developmental assistance, investment, or other activity should balance out these considerations. Coupled with an account of Chinese actions in Africa and Latin America that also pursues a narrative-framing campaign that highlights equivalences to historical activity by Western powers, or even emphasises a greater severity due to recency and directness, may conduce a shift in attitude in developing-country publics and elites.

Western countries should also consider the imposition of similar qualifications, highlighted below, on the elites and publics of those countries it wishes to influence who decide to move or make a life in the West due to the attractiveness of life there. As long as unity is

preserved against disunity, geopolitical influence could return to the West through the assertive, instead of passive, use of both hard and soft power.

This brings us to the crux of this article. Namely, that if Western governments are alive to the attractiveness of Western societies, they must be prepared to harness them in geopolitical contestation. This would be aimed at addressing the impacts of China's rise and shift into geopolitical contestation on Western institutions, societies, and markets by ensuring that adverse influences are either excluded, are mitigated, or self-selecting. One of the ways that such a resource could be harnessed is by bearing in mind that citizenship, or indeed residency, does confer advantages and that those advantages should not be shared like gym memberships: to all those who can pay the fees.

Rather, additional qualifications might be necessary and contributions may be sought from new entrants. International immigrants from politically sensitive states or states in geopolitical contestation with the West might be required to prove positive alignment with Western values and interests before naturalisation or the granting of residency. Or they may be required to do the same before employment or engagement in areas or roles with high access to economic power, political power, or high technology. For example, this proof could come in the form of open advocacy for sanctions on their home government.

Those who see the West as havens for capital might be required not only to purchase property or invest in companies, which continue to be possessions, but to make a percentage-based contribution of possessed wealth to Western treasuries to alleviate income inequality and build infrastructure. Tal-

ent-based entrants may be required to perform research tasks that are government priorities or advance Western power. In the previously-discussed field of higher education, altering funding formulas to make international students less tempting or relied on to make up budgetary shortfalls could be conjoined to restricting politically sensitive international students to non-national security-critical fields, such as the humanities. Collaboration on research and development might also be restricted to activities without immediate military applications such as the amelioration of climate change or waste disposal.

These criteria would either prevent individuals seeking to harm Western societies from entering, ensure they contribute positively upon entry, or result in self-selection of those willing to comply. Such a policy orientation would also encourage vigilance against bad faith political engagement, particularly by organisations like CSSAs that serve as conduits for Chinese political influence. Vigilance must be accompanied by stricter enforcement measures, including proscribing organisations or imposing criminal penalties. Importantly, these

actions stem from recognising certain states as geopolitical competitors and no other criteria, and flow from our earlier identification of the attractions of Western society.

4. Conclusion

Western states have increasingly engaged in geopolitical contestation with China in recent years. This article has highlighted recent conflicts and long-term trends in Chinese activities impacting the West's global position. It has analysed the West's strengths and weaknesses with a view towards harnessing the former and mitigating the latter. In its main part, this article has argued that the advantages of favourable capital and social environments of Western society should be harnessed as both an incentive and a disincentive, and that Western governments must develop and maintain instruments of international coordination and cohesion in order to do so effectively. While external events may be beyond control, domestic actions are not, and it is hoped that this article encourages Western states to take proactive measures in response to China's challenge.

Bibliography

Adams, J., Ilieva, J., & Johnson, J. (2022). The China question revisited: 'de-risking' higher education and research. King's College London. <https://www.kcl.ac.uk/policy-institute/assets/china-question-revisited.pdf>

Agence France-Presse. (2023, February 4). Why China's 'crazy' mega-rich are moving their wealth, and partying, to Singapore. South China Morning Post. <https://www.scmp.com/news/asia/southeast-asia/article/3209102/why-chinas-crazy-mega-rich-are-moving-their-wealth-and-partying-singapore>

Apps, P. (2021, July 15). Russia and China: 'Not allies, but better than allies'. The Economic Times. <https://economictimes.indiatimes.com/news/defence/russia-and-china-not-allies-but-better-than-allies/articleshow/84437525.cms>

Banco, E., & Aarup, S. A. (2023, March 16). 'Hunting rifles'—Really? China ships assault weapons and body armor to Russia [News]. Politico. <https://www.politico.com/news/2023/03/16/chinese-rifles-body-armor-russia-ukraine-00087398>

Batty, F. (2019). No questions asked? Development and the paradox of China's Africa policy. *Insight Turkey*, 21 (1), 151–166. JSTOR.

Benner, T. (2023, April 12). Europe is disastrously split on China. *Foreign Policy*. <https://foreignpolicy.com/2023/04/12/europe-china-policy-brussels-macron-xi-jinping-von-der-leyen-sanchez/>

Blinken, A. (2022, May 26). The administration's approach to the People's Republic of China [Official]. US Department of State. <https://www.state.gov/the-administrations-approach-to-the-peoples-republic-of-china/>

Bowe, A. (2018). China's overseas united front work: Background and implications for the United States. US-China Economic and Security Review Commission. https://www.uscc.gov/sites/default/files/Research/China%27s%20Overseas%20United%20Front%20Work%20-%20Background%20and%20Implications%20for%20US_final_0.pdf

Braw, E. (2020, April 15). China is bargain hunting—And Western security is at risk. *Foreign Policy*. <https://foreignpolicy.com/2020/04/15/china-is-bargain-hunting-and-western-security-is-at-risk/>

British Broadcasting Corporation. (2010, October 18). Chinese bosses charged over Zambian mine shooting [News]. BBC News. <https://www.bbc.co.uk/news/world-africa-11568485>

British Broadcasting Corporation. (2021, June 3). China's new 'tang ping' trend aims to highlight pressures of work culture. BBC News. <https://www.bbc.co.uk/news/world-asia-china-57348406>

Burrier, E. A., & Sheehy, T. P. (2023, June 7). Challenging China's grip on critical minerals can be a boon for Africa's future [Research]. United States Institute of Peace. <https://www.usip.org/publications/2023/06/challenging-chinas-grip-critical-minerals-can-be-boon-africas-future>

Bush, R. C. (2019, January 7). 8 key things to notice from Xi Jinping's New Year speech on Taiwan. Brookings Institution - Commentary. <https://www.brookings.edu/articles/8-key-things-to-notice-from-xi-jinpings-new-year-speech-on-taiwan/>

Center for Preventative Action. (2023, December 19). Territorial disputes in the South China Sea [News]. Global Conflict Tracker. <https://www.cfr.org/global-conflict-tracker/conflict/territorial-disputes-south-china-sea>

Center for Strategic & International Studies. (2023). Survey of Chinese espionage in the United States since 2000 [Database]. <https://www.csis.org/programs/strategic-technologies-program/survey-chinese-espionage-united-states-2000>

Cha, V. (2023, May 10). Examining China's coercive economic tactics. Centre for Strategic & International Studies. <https://www.csis.org/analysis/examining-chinas-coercive-economic-tactics>

Chen, L. Y. (2023, October 8). China's rich entrust total strangers to sneak cash out of the country. Bloomberg. <https://www.bloomberg.com/news/articles/2023-10-08/how-china-s-rich-are-using-underground-networks-to-move-their-money-abroad>

China Africa Research Initiative. (2024). Data: Chinese investment in Africa [Database]. <https://www.sais-cari.org/chinese-investment-in-africa>

Chingono, N. (2020, June 29). Shooting of Zimbabwe workers by Chinese mine owner shows 'systemic' abuse, watchdog says [News]. CNN. <https://edition.cnn.com/2020/06/27/africa/zimbabwe-mine-shooting-intl/index.html>

Christopherson, M. (2023). International transactions in U.S. residential real estate: 2023 (International Transactions in U.S. Residential Real Estate). National Association of Realtors. <https://cdn.nar.realtor/sites/default/files/documents/2023-international-transactions-in-us-residential-real-estate-08-01-2023.pdf>

Clark, R. (2023). The strategic dependence of UK universities on China – and where should they turn next? CIVITAS. <https://www.civitas.org.uk/content/files/The-Strategic-Dependence-of-UK-Universities-on-China-.pdf>

Cook, E. (2023, July 10). NATO chief issues ominous warning about China. *Newsweek*. <https://www.newsweek.com/nato-jens-stoltenberg-china-taiwan-1811845>

Corera, G., & Scott, J. (2022, January 13). MI5 warning over 'Chinese agent' in Parliament [News]. BBC News. <https://www.bbc.com/news/uk-politics-59984380>

Dai, J. (2017). Guanxi and corruption study on the firm-level in a Chinese context [Master Programme in International Economics with a Focus on China, Lund University]. <https://lup.lub.lu.se/luur/download?func=downloadFile&recordId=8923704&fileId=8923708>

Dempsey, H., & Cotterill, J. (2023, April 3). How China is winning the race for Africa's lithium. *Financial Times*. <https://www.ft.com/content/02d6f35d-e646-40f7-894c-ffc-c6acd9b25>

Devermont, J. (2018, September 5). Real threats and misplaced fears at the seventh Forum for China-Africa Cooperation. CSIS. <https://www.csis.org/analysis/real-threats-and-misplaced-fears-seventh-forum-china-africa-cooperation>

Dunning, S., & Kwong, A. (2022). An investigation of China's Confucius institutes in the UK. Henry Jackson Society. <https://henryjacksonsociety.org/wp-content/uploads/2022/10/Confucius-Institutes-in-UK.pdf>

European External Action Service. (2023, December 7). EU-China relations factsheet [Official]. The Diplomatic Service of the European Union. https://www.eeas.europa.eu/eeas/eu-china-relations-factsheet_en

European Parliament. (2023, December 13). The EU must respond to Chinese efforts to change the rules-based order [Official]. European Parliament News. <https://www.europarl.europa.eu/news/sv/press-room/20231208IPR15781/the-eu-must-respond-to-chinese-efforts-to-change-the-rules-based-order>

Faucon, B., & Talley, I. (2023, February 18). Chinese drones still support Russia's war in Ukraine, trade data show. *The Wall Street Journal*. <https://www.wsj.com/articles/chinese-drones-still-support-russias-war-in-ukraine-trade-data-show-cd39d40b>

Fontinelle, A. (2023, December 1). Best investments for high net worth individuals. Forbes Advisor. <https://www.forbes.com/advisor/investing/investment-options-for-hnwi>

Freedom House. (2024). Freedom House Global Freedom Scores [dataset]. <https://freedomhouse.org/countries/freedom-world/scores>

Gorback, C., & Keys, B. (2020). Global capital and local assets: House prices, quantities, and elasticities. National Bureau of Economic Research. <https://doi.org/10.3386/w27370>

Hamilton, C., & Ohlberg, M. (2020). Hidden hand: Exposing how the Chinese Communist Party is reshaping the world. Oneworld.

Handy, P.-S., & Djilo, F. (2022, August 12). Unpacking Africa's divided stance on the Ukraine war. Institute for Security Studies - ISS Today. <https://issafrica.org/iss-today/unpacking-africas-divided-stance-on-the-ukraine-war>

Hanlon, S. (n.d.). China's '3D' challenge: Deflation, debt, and demographics [24 August 2023]. Forbes. <https://www.forbes.com/sites/seanhanlon-1/2023/08/24/chinas-3d-challenge-deflation-debt-and-demographics/>

Hao, T. (2021, August 17). China's high-pressure academic landscape has a human toll. Radian. <https://radia.co/article/china-high-pressure-academics>

Hayton, B. (2021, November 10). UNCLOS: fit for purpose in the 21st century? [Official]. UK Parliamentary Committees: Written Evidence. <https://committees.parliament.uk/written-evidence/40814/html/>

Henley & Partners. (2023). The Henley private wealth migration dashboard [dataset]. <https://www.henleyglobal.com/publications/henley-private-wealth-migration-dashboard/inflows-outflows>

His Majesty's Government. (2023). Integrated review refresh 2023 (Command Paper). <https://www.gov.uk/government/publications/integrated-review-refresh-2023-responding-to-a-more-contested-and-volatile-world/integrated-review-refresh-2023-responding-to-a-more-contested-and-volatile-world#iii-ir2023-updated-strategic-framework>

Holmes, J. R. (2014, April). Defend the First Island Chain. US Naval Institute Proceedings, 140(4/1334). <https://www.usni.org/magazines/proceedings/2014/april/defend-first-island-chain>

Huang, K., & Han, M. (2022, December 14). Did China's street protests end harsh covid policies? Council on Foreign Relations: Asia Unbound and Asia Program. <https://www.cfr.org/blog/did-chinas-street-protests-end-harsh-covid-policies>

Johnston, A. I. (2013). How new and assertive is China's new assertiveness? International Security, 37(4), 7–48. https://doi.org/10.1162/ISEC_a_00115

Kinyondo, A. (2019). Is China recolonizing Africa? World Affairs, 182(2), 128–164. JSTOR.

Kratz, A., Huotari, M., Hanemann, T., & Arcesati, R. (2020). Chinese FDI in Europe: 2019 update special topic: Research collaborations (Chinese FDI in Europe). Mercator Institute for

China Studies (MERICS). <https://merics.org/en/report/chinese-fdi-europe-2019-update>

Kyodo News. (2023, March 18). Use of Chinese ammunition in Ukraine confirmed by U.S.: Sources. Kyodo News. <https://english.kyodonews.net/news/2023/03/48412a76107a-urgent-use-of-chinese-ammunition-in-ukraine-confirmed-by-us-sources.html>

Le Corre, P., & Sepulchre, A. (2016, May 10). Chinese investors can't get enough of Europe. Brookings Institution - Commentary. <https://www.brookings.edu/articles/chinese-investors-cant-get-enough-of-europe/>

Li, Y. (2017, February 22). China's gruelling formula for success: 9-9-6 [News]. The Wall Street Journal. <https://www.wsj.com/articles/long-days-a-staple-at-chinese-tech-firms-1487787775>

Lyu, S., Qian, C., McIntyre, A., & Lee, C.-H. (2023). One pandemic, two solutions: Comparing the U.S.-China response and health priorities to covid-19 from the perspective of "two types of control". Healthcare, 11(13), 1848. <https://doi.org/10.3390/healthcare11131848>

Mandhana, N. (2023, March 11). How Beijing boxed America out of the South China Sea. The Wall Street Journal. <https://www.wsj.com/articles/china-boxed-america-out-of-south-china-sea-military-d2833768>

McGregor, R. (2019, July 25). How the state runs business in China. The Guardian. <https://www.theguardian.com/world/2019/jul/25/china-business-xi-jinping-communist-party-state-private-enterprise-huawei>

Mozur, P., Myers, S. L., & Liu, J. (2022, April 11). China's echoes of Russia's alternate reality intensify around the world. <https://www.nytimes.com/2022/04/11/technology/china-russia-propaganda.html>

Murithi, T. (2023, April 18). Order of oppression: Africa's quest for a new international system. Foreign Affairs, May/June 2023. <https://www.foreignaffairs.com/africa/global-south-un-order-oppression>

Permanent Court of Arbitration. (2016). Press release, the South China Sea arbitration. <https://docs.pca-cpa.org/2016/07/PH-CN-20160712-Press-Release-No-11-English.pdf>

Rapanyane, M. B. (2021). Neocolonialism and new imperialism. Journal of African Foreign Affairs, 8(3), 89–112. JSTOR.

Ray, S. (2022, September 19). Biden vows to defend Taiwan from Chinese invasion and declares covid pandemic 'over' in 60 minutes interview. Forbes. <https://www.forbes.com/sites/siladityaray/2022/09/19/biden-vows-to-defend-taiwan-from-chinese-invasion-and-declares-covid-pandemic-over-in-60-minutes-interview/>

Republique Francaise. (2022). National strategic review 2022. Secrétariat général de la défense et de la sécurité nationale. <https://www.sgdsn.gouv.fr/files/files/rns-uk-20221202.pdf>

Rettman, A. (2023, May 9). EU implicates Hong Kong in Russia sanctions-busting [News]. EUobserver. <https://euobserver.com/world/157011>

Reuters. (2015, October 18). China, Britain to benefit from 'golden era' in ties—Cameron [News]. Reuters. <https://www.reuters.com/article/idUSKCN0SB10M/>

Reuters. (2023, August 22). What is BRICS, which countries want to join and why? Reuters. <https://www.reuters.com/world/what-is-brics-who-are-its-members-2023-08-21/>

Ross, A. (2023, May 18). Out of step: The West's waltz with Africa. Oxford Global Society Commentary. <https://oxgs.org/2023/05/18/west-africa-waltz-out-of-step/>

Russell, A. (2023, August 21). The à la carte world: Our new geopolitical order. Financial Times. <https://www.ft.com/content/7997f72d-f772-4b70-9613-9823f233d18a>

Satter, R., & Singh, K. (2023, August 4). Two US Navy sailors arrested on charges of sharing secrets with China [News]. Reuters. <https://www.reuters.com/world/us/2-us-navy-sailors-arrested-charges-tied-national-security-china-ap-2023-08-03/>

Saul, S. (2017, May 4). On campuses far from China, still under Beijing's watchful eye [News]. The New York Times. <https://www.nytimes.com/2017/05/04/us/chinese-students-western-campuses-china-influence.html>

Sevastopulo, D., Foy, H., Rathbone, J. P., & Leahy, J. (2023, December 15). Chinese spies recruited European politician in operation to divide west. Financial Times. <https://www.ft.com/content/601df41f-8393-46ad-9f74-fe64f8ea1a3f>

Siddiqui, Z. (2023, October 18). Five Eyes intelligence chiefs warn on China's 'theft' of intellectual property [News]. Reuters. <https://www.reuters.com/world/five-eyes-intelligence-chiefs-warn-chinas-theft-intellectual-property-2023-10-18/>

StatisticsTimes. (2024). United States vs China by population [dataset]. <https://statisticstimes.com/demographics/china-vs-us-population.php>

Tang, X. (2016). Does Chinese employment benefit Africans? Investigating Chinese enterprises and their operations in Africa. *African Studies Quarterly*, 16(3–4), 107–128.

Tiezzi, S. (2018, January 31). If China bugged the AU headquarters, what African countries should be worried? [News]. The Diplomat. <https://thediplomat.com/2018/01/if-china-bugged-the-au-headquarters-what-african-countries-should-be-worried/>

Times Higher Education. (2024). World university rankings 2024 [dataset]. <https://www.timeshighereducation.com/world-university-rankings/2024/world-ranking>

UK-China Transparency. (2023). Cambridge University's collaboration with the Chinese military: The Centre for Advanced Photonics and Electronics (CAPE) (Cambridge China Files). UK-China Transparency. <https://ukctransparency.org/wp-content/uploads/2023/09/REPORT-Cambridge-Universitys-collaboration-with-the-Chinese-military.pdf>

United Nations Conference on Trade and Development. (2016). Review of maritime transport 2016 (UNCTAD/RMT/2016; Review of Maritime Transport). United Nations. https://unctad.org/system/files/official-document/rmt2016_en.pdf

United Nations (General Assembly). (1982). United Nations Convention on the Law of the Sea (1833 UNTS 397). https://www.un.org/depts/los/convention_agreements/texts/unclos/unclos_e.pdf

United States Government. (n.d.). The Chinese Communist Party on campus: Opportunities & risks [Briefing Note]. US Department of State. <https://www.state.gov/wp-content/uploads/2020/09/CCP-on-campus-FINAL.pdf>

United States Government. (2022). National security strategy october 2022 (National Security Strategy). United States Government. <https://www.whitehouse.gov/wp-content/uploads/2022/10/Biden-Harris-Administrations-National-Security-Strategy-10.2022.pdf>

US Senate. (2019). Threats to the U.S. research enterprise: China's talent recruitment plans. US Senate, Permanent Subcommittee on Investigations. <https://www.hsgac.senate.gov/wp-content/uploads/imo/media/doc/2019-11-18%20PSI%20Staff%20Report%20-%20China's%20Talent%20Recruitment%20Plans%20Updated2.pdf>

Valev, N., Bieri, F., & Bizuneh, M. (2024). Global economy [dataset]. https://www.theglobaleconomy.com/texts_new.php?page=aboutus

Varley, K., Leung, A., Dormido, H., Nguyen, X. Q., & Heijmans, P. (2020, September 1). Fight over fish fans a new stage of conflict in South China Sea [News]. Bloomberg UK. <https://www.bloomberg.com/graphics/2020-dangerous-conditions-in-depleted-south-china-sea/?leadSource=verify%20wall>

Voice of America. (2012, July 31). Challenging Beijing in the South China Sea [Blog]. Voice of America. <https://blogs.voanews.com/state-department-news/2012/07/31/challenging-beijing-in-the-south-china-sea/>

Winkworth. (2023, April 18). Chinese investment in UK property. Winkworth. <https://www.winkworth.co.uk/articles/chinese-investment-in-uk-property>

World Bank. (2022). GDP (current US\$)—China [dataset]. <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=CN>

World Bank. (2023). Research and development expenditure (% of GDP) [dataset]. <https://data.worldbank.org/indicator/GB.XPD.RSDV.GD.ZS?end=2018&start=1996&view=map&year=2018>

Yu, S. Z. (2022, November 4). What is China's investment end game in Africa? LSE. <https://blogs.lse.ac.uk/africaatlse/2022/11/04/what-is-chinas-investment-end-game-in-africa/>

Yu, V. (2023, January 20). 'The last generation': The young Chinese people vowing not to have children. The Guardian. <https://www.theguardian.com/world/2023/jan/20/the-last-generation-young-chinese-people-vow-not-to-have-children>

Zhou, N. (2019, July 24). Pro-China and pro-Hong Kong students clash at University of Queensland. The Guardian. <https://www.theguardian.com/australia-news/2019/jul/24/china-hong-kong-students-clash-university-queensland>



Future Combat Air Systems (FCAS) – Truly the Future of European Strategic Autonomy or Selling old Wine in new Bottles?



Patrick Weimert [in](#)

Patrick Weimert currently studies International Affairs at the Hertie School with a specialization in international security. He is particularly interested in security issues in the nexus between international security and development policy. He has also worked as an intern at the NATO CIMIC Centre of Excellence, as a Professional Year Student at the Stabilisation Platform of the German Federal Foreign Office / GIZ and as an intern at the German Federal Foreign Office. He is particularly interested in the topic of civil-military cooperation.



Bjirte Lenz [in](#)

Bjirte Lenz is a dual Master's student in European and International Studies at Sciences Po Strasbourg and the European University Viadrina in Frankfurt (Oder). She also has a degree in history and geography from the Sorbonne. She works as a secretary at EuroDefense Germany and is particularly interested in European security and defence issues, especially in the Franco-German sphere.

Amid the changing landscape of European security relations, Europe remains split into two camps. The ones that believe in an autonomous Europe that addresses its own security challenges and the ones that are placing their bets on the U.S.'s protection. While the U.S. sought to reduce transatlantic responsibilities before the Ukraine conflict, Moscow's aggressive moves have underscored the need for Europe to address security challenges autonomously. The debate focuses on the tension between the dependency on the United States security umbrella and "European strategic autonomy." The former, rooted in Cold War perceptions, inaccurately overemphasises the U.S., while the latter currently downplays Europe's dependence on American capabilities. Representatives of the autonomist camp have engaged in many initiatives to reduce European dependency on U.S. weapon technology. Most recently, the Future Air Combat Systems (FCAS) project has emerged. Therefore, the following study will attempt to answer whether projects like FCAS genuinely contribute to the future of European strategic autonomy or simply selling old wine in new bottles?

The study focuses on the FCAS because it is an ambitious project. In tune with the times, not only attempting to develop a sixth-generation fighter jet but also connecting man and machine through collaborative combat warfare. The aim is to explain the importance of this innovative project for Europe and the challenges that lie in its implementation. This inquiry is of practical interest as it covers crucial political and economic processes. It is a project that today is more futuristic than vi-

sionary because it is too modern to be put in place until much later, given the urgent needs of the present. What is more, the diversity of the players involved facilitates dissent. However, examining the benefits the U.S. derives from this complex situation will also lie at the core of this paper. Adapting the project to NATO standards and maintaining industrial agreements is blocking European strategic autonomy.

Beyond the policy realm, the FCAS plays an interesting role in the ongoing scientific debate surrounding European Strategic Autonomy. It represents an effort to coordinate defense capabilities between European nations. It is a European project but not an EU project. Transatlantic cooperation is possible but not the goal of the project. Developing a next-generation combat air system underscores the continent's aspiration to play a more active role in its security and defence. The project raises questions about the extent to which Europe can develop independently of the United States. In the broader debate, FCAS reflects the evolving nature of transatlantic relations, with European nations seeking a balance between partnership with the United States and establishing autonomy.

To determine whether the FCAS initiative is truly a case of European Strategic Autonomy, the following paper will operationalise the theory of European Strategic Autonomy into verifiable factors. The analysis will draw from relevant literature, independent media coverage, and statements and speeches from European officials. Thus, a qualitative content analysis of primary and secondary sources on the FCAS initiative will be employed to determine whether the involved actors act according to the theory.

Firstly, the study will examine the FCAS as a possible embodiment of European strategic autonomy. Secondly, the study will look at the complex dimension of the project and its weaknesses. Here, the article will focus on what is hindering the implementation of the FCAS. Finally, the ambivalent relationship between FCAS and NATO is examined. The paper will attempt to shed light on the necessary balance between European strategic autonomy and NATO cooperation on the issue of European defence. In doing so, overcoming the opposition between Atlanticists and Autonomists is essential. European security must not be conceived as a break with NATO if it entails balanced and modulable cooperation with NATO.

European Strategic Autonomy:

European strategic autonomy refers to the European Union's goal of developing the capability to act independently in matters of defence, security, and foreign policy, without relying solely on the military capabilities of non-European partners. It involves strengthening Europe's capacity for decision-making, crisis management, and defence operations while fostering a more integrated approach among EU member states. The concept aims to ensure that Europe can protect its interests and contribute to global stability with a greater degree of self-reliance.

1 - FCAS: The Embodiment of European Strategic Autonomy

First, the FCAS embodies a European desire to ensure its military security. The old continent would then cut its strategic ties with the new world. Here, European players are coming together around a project that is in tune with the times, in which they are mobilising

their know-how to create a versatile, multi-terrain system.

1 - A Project that brings European Players together

The FCAS project is made in Europe. To achieve this, it brings together three major European powers: Germany, France, and Spain. Recently, Belgium joined the FCAS as an observer and will probably join in 2025 (Samama, 2023). The project's prime contractor is the French giant Dassault Aviation, working in collaboration with Safran Aircraft Engines, Thalès and MBDA on the French side, as well as MTU Aero Engines on the German side and Indra Sistemas on the Spanish side (Le Gleut & Conway-Mouret, 2020). One of the project's coordinators is Airbus Defense and Space, an aerospace company (Airbus, 2023). Indeed, Airbus itself is the fruit of a European partnership. The implementation of the FCAS is organised into several pillars (Camelot, 2023). Within each pillar, implementation is entrusted to companies from the three founding nations (Camelot, 2023). Furthermore, beyond the "made in Europe" aspect, the FCAS project results from a comprehensive cooperation between political, military, and industrial players. Given the diverse nature and strategic visions of these categories of players, their cooperation within the framework of the FCAS would give the world the image of a powerful and sovereign Europe in the field of defence. The project brings together public and private players with a wide range of expertise and experience.

1-B - The Embodiment of Future Warfare in the Centre of the Modern Era

The FCAS also embodies the latest know-how required for modern warfare. It is a project that rethinks operational capability and

operates on several dimensions. FCAS will not only revolutionise the 'physical' point of view, with the sixth-generation fighter aircraft and the machines that go with it, but also from the cyberspace point of view, with the combat cloud and the use of artificial intelligence.

The project is organised into seven pillars: The sixth-generation fighter aircraft (NGF), the engine, the remote carriers, the tactical or combat cloud, the simlab (the simulation of

| Pillar | NGF | Engine | Remote Carrier | Combat Cloud | SimLab | Sensors | Stealth |
|--------------------|------------------------------|-------------------|---|---|--|---------------------------------|--|
| Main contractor | Dassault Aviation (FR) | EUMET* (FR)/(GER) | Airbus (GER) | Airbus (GER) | Several co-contractors | Indra Sistemas (ESP) | Airbus (ESP) |
| Industrial partner | Airbus (GER) Airbus (ESP) | ITP Aero (ESP) | MBDA (GER) MBDA (FR) SATNUS (ESP) | Thales Group (FR) Indra Sistemas (ESP) | Dassault Aviation (FR) Airbus (GER) Indra Sistemas (ESP) | Thales Group (FR) FCMS (GER) | Dassault Aviation (FR) Airbus (GER) |

*EUMET is a joint venture between Safran (FR) and MTU Aero Engines (GER) (Vogel, 2020) (Vogel, 2020; Camelot, 2023)

In particular, artificial intelligence will be used in new UCAV (Unmanned Combat Aerial Vehicle) drones, which are suited to high-intensity combat, unlike MALE (Medium Altitude Long Endurance Remotely Piloted Aircraft System) drones (Camelot, 2023). The latter are unsuitable for dealing with armoured targets, defending themselves, or accompanying an NGF, mainly because of their lack of speed (Camelot, 2023). MALE drones are better suited to surveillance than attack functions (Defense-Zone, 2023). In contrast, UCAVs can accompany the fighter and be deployed from the air (Camelot, 2023). They can then take the lead in the theatre of operations and strike first, even before the NGF goes into action (Camelot, 2023).

As already mentioned, all this will be managed by the Multi-Domain Combat Cloud (MDCC) (Airbus Defence and Space,

an environment that enables the system to be tested and evaluated), the sensors and stealth (Camelot, 2023; MBDA, 2020). What makes the FCAS a futuristic project is its use of a combat cloud to frame the system and the incorporation of artificial intelligence (Airbus Defence and Space, 2020). This means that operational forces can be brought together in all relevant operational domains to deal with threats on a new scale.


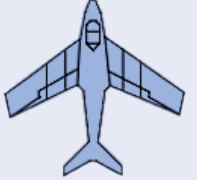
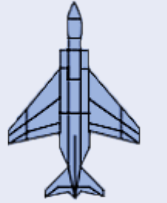

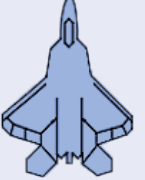

2023). This cloud is the very organ that will enable collaboration between manned and unmanned aircraft, with quick and efficient data transmission and decision-making (Airbus Defence and Space, 2023). The FCAS also features innovations in deep tech, such as Big Data processing, cybernetics and the artificial intelligence mentioned earlier (Airbus, 2023). These are essential skills for an increasingly automated future. Owned by European companies, they also reflect an innovative future made in Europe.

1-C - Versatile and Multi-terrain System

Given the interdependence between air, land, and maritime security, the FCAS also enables interconnection between the different forces in each environment (Breton & Portier, 2019). In France, the FCAS is presented as a

"system of systems" organised in two circles (Breton & Portier, 2019). The first circle, which would be the inner circle, is the system itself, i.e. a set of devices such as MALES drones accompanying the new generation fighter aircraft or, more generally, Remote Carrier drones (reusable and expendable), com-

panion UAVs (Unmanned Aerial Vehicle) that can be deployed in flight (Breton & Portier, 2019). The second circle, which would be the outer circle, comprises forces that are not just airborne but also maritime and land-based, communicating with space and cyberspace systems (Breton & Portier, 2019).

| 1 st generation | 2 nd generation | 3 rd generation | 4 th /4+ generation | 5 th generation | 6 th generation |
|--|--|---|---|--|---|
| <p>c. 1945</p> <ul style="list-style-type: none"> • Jet propulsion (Cenciotti, 2011)  <p>e.g. Me-262</p> | <p>c. 1955</p> <ul style="list-style-type: none"> • Swept wings (Cenciotti, 2011) • Range-finding radar (Hollings, 2021) • Infrared-guided missiles (Hollings, 2021)  <p>e.g. MiG-15</p> | <p>c. 1960</p> <ul style="list-style-type: none"> • Supersonic speed (Cenciotti, 2011) • Pulse radar (Cenciotti, 2011) • Able to shoot at targets beyond visual range (Cenciotti, 2011)  <p>e.g. McDonnell Douglas F-4 Phantom II</p> | <p>c. 1970</p> <p>4th generation :</p> <ul style="list-style-type: none"> • Pulse-doppler radar (Cenciotti, 2011) • Look-down/shoot-down missiles (Cenciotti, 2011) <p>4+ generation :</p> <ul style="list-style-type: none"> • Sensor fusion (Cenciotti, 2011) • Reduced radar signature (Hollings, 2021)  <p>e.g. F-16</p> | <p>c. 2005</p> <ul style="list-style-type: none"> • Stealth (Hollings, 2021) • Integrated avionics (Cenciotti, 2011) • Supercruise (Cenciotti, 2011)  <p>e.g. F-22</p> | <p>c. 2040?</p> <ul style="list-style-type: none"> • Extreme stealth (Cenciotti, 2011) • Highly networked (Cenciotti, 2011) • Manned or unmanned (Cenciotti, 2011) • Very sensitive sensors (Cenciotti, 2011)  <p>e.g. NGF, Tempest</p> |

Air forces in the second circle include early warning aircraft, tankers, electronic warfare aircraft, transport aircraft and helicopters (Breton & Portier, 2019). Maritime forces in this circle include new-generation aircraft carriers, anti-aircraft frigates and multi-mission frigates (Breton & Portier, 2019). Land forces include ground-to-air defence systems, close air support or Tactical Air Control Party (TACP), and special forces (Breton & Portier, 2019). These forces work together using space technologies such as communications, intelligence satellites, and cyberspace technologies. Hence, the combat cloud is the enabler that effectively and efficiently exchanges data between forces in both circles.

In addition, Remote Carriers will certainly be able to receive orders from the air with tactical aircraft, from the sea with a naval fleet or from the ground with a land brigade

commander (Camelot, 2023). They can be used in packs or swarms (Camelot, 2023). In the first case, they support the NGF directly and elect a leader who will be the head of the pack (this may be the fighter or a Remote Carrier) (Camelot, 2023). In the second scenario, the machines can be used in swarms (swarming) (Camelot, 2023). In this case, they do not elect a leader because they operate collectively, and this multiplication of individual forces puts the adversary in difficulty.

The FCAS project, therefore, enables all operational forces to be brought together, regardless of their environment, to strengthen the system as a whole. Overall, the mutual consolidation of these forces allows European forces to act more efficiently and comprehensively by truly revolutionising collaborative combat.

2 - Complex Implementation Challenges

Secondly, the FCAS is also complex. This complexity results from the fact that it involves a wide range of players and technologies. The countries involved, each with their strategic vision, need to be able to select a leader who will be the main project manager and who will be able to coordinate the actions and decisions of the other players. In addition, the lack of transparency in the cooperation between the industries slows down the whole FCAS design and construction process. Finally, the project is too visionary for our present situation, which needs quick answers, which is a problem given the current context of tension in the world.

2-A – Who leads FCAS, and what is its Strategic Vision?

The FCAS is an international project that brings together countries with different strategic visions. In order to avoid disputes, the election of a leader and project manager could make sense. However, states are sometimes blinded by their national sovereignty and own interests. In such cases, we need to move towards a degree of European sovereignty, even if, let's not forget, Europe is in no way a State in itself. In this sovereignty on a European scale, questions of national sovereignty must be merged to benefit the collective interest.

In this way, it is also necessary to jointly lead a single European project and avoid creating intra-European competition. The FCAS does, however, have a competitor: TEMPEST, also known as the Global Combat Air Programme (GCAP) since 2022 (Bezatz, 2022). This project is led by the UK, Italy, and Japan (Sweden recently left the programme). Italy chose

to join the BAE Systems-led project because it believes it can play a "bigger role" in it than in the FCAS, which is already in the hands of a few European industrial giants (Newdick, 2021, para. 6). TEMPEST is not an ideological competitor to the FCAS, as TEMPEST does not claim European autonomy. TEMPEST also features non-European participants such as Japan and potentially Saudi Arabia (Jolly, 2023). However, despite lacking ideological competition, the programs are industrial competitors because they sell similar products.

In order to unify Europe's air defence ambitions, proposals have already been made to merge the two projects. According to General Luca Goretti, the Chief of Staff of the Italian Air Force, it would be impossible to finance two projects with such big budgets (Newdick, 2021). The budget for the FCAS is between 50 and 80 billion euros, and that for the TEMPEST has not yet been definitively set, but Italy, for example, has invested almost 8 billion euros to date (Le Gleut & Conway-Mouret, 2020) (Neumann & Rasio, 2023). TEMPEST and FCAS would then be forced to move closer together. However, others believe the divisions between different state players and political and industrial leaders will make this rapprochement difficult (Tytelman, 2022). It is, therefore, necessary for industrialists from the same country to agree with their political authorities and to designate a leading state. This state will then be able to draw up a guideline to speed up the project.

Airbus, Dassault Aviation, Indra Sistemas and other partners keep on promoting FCAS as a significant contributor to European strategic autonomy. However, cooperation with non-European players cannot be considered for a project that must enable European stra-

tegic independence and will make convergence towards a single project difficult. Yet it is important to bring together as many European players as possible behind a single project, provided they work together in an organised and effective way. These players must also work towards a common strategic vision for the times to come. The future of Europe must be built on new foundations, starting now.

2- B - Lack of Industrial Cooperation

Another obstacle that the FCAS is facing is the difficulties surrounding industrial cooperation. Industrial players are defending their own interests in a system that puts them in competition with each other. Indeed, the project was launched in 2017 but has remained in the shadows for several years due to industrial conflicts over the sharing of tasks and the selection of the leader for each of the seven pillars (Möhring, 2023; Machi, 2022). Industrial differences then contradict the great promises of cooperation made by politicians, which can lead to general discouragement. A partnership between states with pronounced national interests is not an easy thing to achieve. France, and Dassault in particular, is often criticised for blindly positioning itself as a leader, thereby over-

shadowing its European partners (Möhring, 2023; Machi, 2022). In fact, the French champion was competing with the German subsidiary of Airbus for phase 1B of the project, which was about the work on the NGF. The prototype should be presented in 2027 (Machi, 2022).

The lack of cooperation between the various industrial players is also reflected in the choice of agreements with non-European third countries.

Germany, for example, continues to supply its armed forces, particularly its air force, with products made in the United States. By continuing to procure F-35s, Germany is adapting to American standards, which have a financial, technical, and ideological impact on the FCAS (Möhring, 2023). Therefore, it seems that all the actions taken

by the partner countries are not yet coordinated, and this could create further dissension. In contrast to the German authorities, the Spanish authorities took the decision, when they signed the "Halcon" agreement in June 2022, to replace their fleet of F/A-18s with 20 Eurofighter Typhoons (White, 2023). They are thus gradually turning more towards the European market, a symbolic gesture for European strategic autonomy that should delight the French authorities,

While Germany is set on manifesting a strong European pillar within NATO, France dreams of a European Union independent of the U.S.' protection. In its flexibility, FCAS can contribute to both of these things, but it cannot decide for them.

who have long promoted the idea of "European sovereignty" in all areas.

National decisions taken outside the FCAS can also have an impact on dialogue within the project itself. France's refusal to participate in the European Sky Shield Initiative (ESSI), a German missile defence initiative, is an example (Vincent, 2023). Some see France's decision as a sign of misplaced national pride. But this project, which claims to be European, is, in fact, tapping into the American and Israeli markets by including weapons from these two countries (Vincent, 2023). France had hoped to be able to integrate its medium-range ground-air defence system, the Mamba, manufactured in cooperation with Italy (Vincent, 2023). But discussions with Berlin were inconclusive. Such a situation increases mistrust between industrial players and sustains intra-European competition, which cannot be beneficial to emerging joint initiatives. These disputes are also having an impact on discussions within the FCAS framework, which does nothing to improve the situation and may even further delay the completion of the project.

2-C - A Project too Visionary for a Present that Needs Quick Actions?

FCAS's timeline poses arguably the greatest challenge to the project. It is not due to replace the Rafale, the Eurofighter Typhoon and the EF-18 Hornets until 2040 (Vincent, 2023; Möhring, 2023). In fact, the project is too visionary for a present that needs quick actions. With ever more conflicts appearing around the world, Europe seeks to adapt. Especially since they were not prepared beforehand to deal with the threat of interstate wars. Moreover, the difficulties in implementing the project mentioned above suggest that the FCAS could be operational much later

than 2040 (Riou, 2023). But time is running out, and Europe urgently needs it.

It is therefore necessary to find solutions such as using FCAS components that could be used immediately. Initiatives are also being taken to strengthen current air forces. France wants to equip its fighters with combat drones, already simulating FCAS's collaborative combat warfare approach. Dassault is, therefore, taking its inspiration from the Neuron, a drone built in the 2010s in collaboration with five other countries. The company wanted to work on a new Unmanned Combat Aerial Vehicle (UCAV) based on the Neuron, which would accompany the Rafale F5 in flight by 2035. This is an intermediate solution to complement the FCAS, as these UCAVs will not have the same skills as the RCs, which could fly in packs or swarms (Camelot, 2023).

Practising collaborative combat warfare, Dassault Aviation has also announced the modernisation of the Rafale models F4 and F5, with the integration of artificial intelligence (AI). This will enable soldiers to continue military operations despite scrambled communications, as well as having greater computing and data-sorting capacity, making it easier for the fighter pilot to make the final decision (Riou, 2023). Advances in artificial intelligence can thus be used before the arrival of the FCAS, which is still some way off.

On the other hand, the collaborative combat on which the FCAS is based is nothing new. It is a combat configuration in which there is a link between the different aircraft during a raid, enabling them to be connected to each other. This effective connection multiplies their strike force and decision-making speed (Riou, 2023). In this way, the FCAS draws on pre-existing elements of air combat and modernises them.

3 - FCAS/NATO: A Dichotomous Relationship?

The relationship between the United States and European Strategic Autonomy has undergone a complex evolution, with a balancing act of the world power to reduce commitments on the one hand but not lose influence on the continent on the other hand.

3-A - The United State's View on European Strategic Autonomy

During the Cold War era, the U.S. showed a robust commitment to the defence of Western Europe, considering the region a central theatre for its foreign policy. This commitment was underpinned by a significant military presence and a leadership role within the North Atlantic Treaty Alliance (NATO). The U.S. saw itself as the unquestioned leader, expecting European support in countering the Soviet threat. However, frustrations emerged over their allies' capabilities and burden-sharing, leading to a consistent U.S. desire for increased European defence contributions (Martin & Sinkkonen, 2022).

In the post-Cold War era, there was a recalibration of U.S. interests, marked by a reduced military presence in Europe. While the U.S. did not abandon Europe, a certain disengagement occurred, particularly in the assumed absence of existential threats. Despite the European Union's commitment to greater defence integration, U.S. support for European autonomy remained ambivalent. The George H.W. Bush administration even displayed hostility towards European military aspirations, fearing the potential undermining of NATO (Martin & Sinkkonen, 2022). Subsequent administrations, including Clinton, maintained an ambivalent

stance—accepting European defence initiatives under specific conditions but only framing it as a fairer burden-sharing rather than autonomy from NATO. The George W. Bush administration, while planning to reduce the U.S.' commitments to Europe, was also openly hostile to European initiatives (Martin & Sinkkonen, 2022).

Since then, the U.S. slowly but surely reduced its security commitments in Europe after having pointed out that overwhelming NATO defence delivered an incentive to free-ride on U.S. security for some European allies. Culminating with the Obama administration's 'Pivot to Asia' and its focus on addressing the military rise of China, redistributing resources away from Europe (Engelbrekt, 2022). This was manifested by the anti-European rhetoric and actions taken by the Trump administration. Addressing China was the priority of U.S. security policy, emphasising that Europe should defend itself (Martin & Sinkkonen, 2022).

Today, with its multilateralism and competition with China, the U.S. continues to grapple with its approach to European Strategic Autonomy, displaying a larger than-ever support for European strategic autonomy. The Biden administration and recent comments by U.S. officials suggest that they are hoping for a Europe that can address its own security challenges without any major transatlantic efforts. Even though the 2022 Russian invasion of Ukraine in late February 2022 prompted a brief re-engagement of the U.S. in Europe in the short term, the most recent financial aid blockage by the U.S. Congress and the upcoming 2024 U.S. presidential elections paints a grim picture for both Ukraine and the transatlantic partnership (Engelbrekt, 2022).

Thus, the United States' approach to European Strategic Autonomy has undergone multiple shifts, most recently by the Biden administration's active pursuit of a redefined transatlantic relationship. However, Russia's invasion of Ukraine has added complexity to this transformation. On the one hand, the Biden administration seeks mutual adjustments between European and American allies, emphasising a robust political commitment to European security (Engelbrekt, 2022). On the other hand, the rise of China prompts a reassessment of responsibilities. The U.S. Armed Forces are envisioned increasingly as a last-resort asset in the European theatre, with forces stationed in Europe potentially lacking the newest and most advanced equipment needed for the Asia-Pacific region (Engelbrekt, 2022). The terminology used in transatlantic debates, with concepts like autonomy and burden-sharing, remains mainly unchanged since the beginning of the Cold War. The notion of strategic autonomy gains prominence within the European Union, with efforts to increase European defence spending and strategic capabilities. However, the question of the feasibility of a self-reliant Europe remains highly debated, given the present dependence on American capabilities.

The tension between fostering European responsibility and signalling premature independence is noted, emphasising the need for a new transatlantic relationship. Financial equity, deterrence, and sub-strategic theatre dimensions are identified as critical in reshaping roles and responsibilities. It is unlikely, and even unwise, for Europe to become independent from the American deterrence apparatus. However, in the current geopolitical landscape, Europe needs to

develop its independent strategic and financial capabilities. Therefore, looking beyond terms like burden-sharing and autonomy (Engelbrekt, 2022).

3-B - The Risk of Being a European-looking Brick in an American Wall

In order to view FCAS from a U.S.' perspective, it is important to consider that FCAS is not a transatlantic project, its members have actively decided on a European initiative without any U.S. involvement. However, there are a few factors that indicate an American footprint on the project. The concept of collaborative combat warfare, integrating artificial intelligence in a comprehensive defence apparatus, is based on the American vision for such a system (Möhrling, 2023). Interestingly, collaborative combat warfare, like integrating AI into the military apparatus, is something that is even viewed as rather controversial in Europe, especially in Germany. The same counts for UAV drones. Establishing AI and drones in the European national militaries will cause political debates, and its implementation will also require the support of some European national parliaments (Szymanski, 2022).

On the other hand, the U.S. has long been advocating for collaborative combat warfare as a strategic approach to enhance military effectiveness, situational awareness, and overall warfighting capabilities. Here, as an alliance focused on achieving high levels of interoperability, NATO plays a crucial role. By adopting common standards and technologies, NATO seeks to create a seamless and interconnected military environment (Tolk & Diallo, 2013). This collaborative approach not only strengthens

the alliance's collective defence posture but also aligns with the broader trend of leveraging advanced technologies to maintain a competitive edge in modern warfare.

Unsurprisingly, the relationship between FCAS and NATO is marked by the question of adherence to common standards and interoperability. As European nations embark on projects like FCAS, a key consideration is ensuring that the advanced combat capabilities developed align with NATO standards. Interoperability, the ability of different military systems to operate seamlessly together, is a cornerstone of NATO's collective defence strategy. FCAS, initiated by a consortium of European states, is designed to complement rather than undermine NATO's objectives (Mickel, 2019). By adhering to shared standards, FCAS aims to facilitate coordination with NATO forces, reinforcing the alliance's ability to conduct joint operations effectively. NATO's emphasis on interoperability encourages member states to align their defence projects with common guidelines. FCAS, with its cutting-edge technologies and envisaged capabilities, is likely to contribute to the broader goal of strengthening NATO's defence capabilities (Mickel, 2019). Nevertheless, while FCAS recognises the importance of collaborative security efforts within the NATO framework, it also represents a step towards European strategic autonomy. By establishing an independent and advanced defence capability within Europe, FCAS also contributes significantly towards Europe's independence.

FCAS represents a step toward boosting European strategic autonomy by fostering an independent defence capability within Europe. One of the challenges hindering

European autonomy is the fragmentation among European weapon industries. FCAS plays a role in overcoming this challenge by encouraging collaboration and joint development among EU member states. By promoting a shared technological and operational framework, FCAS aims to enhance Europe's ability to reduce reliance on external suppliers and foster a more coordinated European defence effort (Mérand, 2008).

Most importantly, FCAS is much more than a new fighter jet. The envisioned combat cloud aims to fully connect the fighter jet with the UAVs and the AI in fully comprehensive collaborative combat warfare. Information will be made available to each component of the network in real time (Henrich, 2023). In an interview with the Senate Foreign Affairs, Defense, and Armed Forces Committee, the CEO of Dassault Aviation spoke about the future of FCAS. During the hearing, the CEO clearly differentiated between the notions of 'cloud souverain' (sovereign cloud) and 'cloud de confiance' (trusted cloud). A sovereign cloud is a cloud infrastructure subject to the laws and regulations of a specific country or region, emphasising data storage and processing within that region's jurisdiction, ensuring data sovereignty. A trusted cloud focuses on building trust through security measures and compliance standards, regardless of legal jurisdiction, to ensure the reliability and protection of cloud services (Riou, 2023). The latter implies the inclusion of technologies from non-European countries, like the United States. Dassault Aviation has committed to developing a sovereign cloud in collaboration with Dassault Systèmes, highlighting the interest of Europeans in doing so (Riou, 2023). Ulti-

mately, Airbus is leading the development of the FCAS combat cloud, which claims that 'Airbus is already shaping the future of C2 in multinational and NATO frameworks' on its 'Multi-Domain Combat Cloud' webpage.

There are a few indicators that suggest that the FCAS project is truly a cornerstone of European strategic autonomy, while others suggest it is simply a defence product of European NATO members. Essentially, FCAS's contribution to European strategic autonomy might not depend on what it delivers but on what its member states intend to use it for. The essential issue remains at the strategic level in Berlin and Paris. While Germany is set on manifesting a strong European pillar within NATO, France dreams of a European Union independent of the U.S.' protection. In its flexibility, FCAS can contribute to both of these things, but it cannot decide for them.

3-C - A European Project, compatible with NATO Norms

In the context of the FCAS, European Strategic Autonomy and NATO burden-sharing are not mutually exclusive. Instead, they can complement each other, fostering both European independence and transatlantic collaboration. The evolution of U.S.-European relations, as outlined, indicates a historical tension regarding autonomy and burden-sharing. FCAS, as a European initiative, can play a crucial role in reconciling these dynamics. Firstly, FCAS represents a stride towards European autonomy by developing a sixth-generation fighter jet and combat cloud, reducing reli-

ance on American suppliers for advanced military capabilities. This aligns with the European Union's push for greater strategic autonomy. Simultaneously, the project recognises the importance of adhering to NATO standards, ensuring interoperability and collaboration with transatlantic partners. By embracing advanced technologies like AI and drones, FCAS aligns with the U.S. vision for collaborative combat warfare, albeit with a distinctly European approach. The project's dual commitment to innovation and cooperation positions it as a bridge between European autonomy and transatlantic collaboration, addressing concerns about being a mere component in an American meta-system. Furthermore, FCAS tackles challenges hindering European autonomy, such as the fragmentation of European weapon industries, by fostering collaboration among EU member states. The project's emphasis on a shared technological and operational framework enhances Europe's ability to coordinate defence efforts independently, in line with the objectives of European Strategic Autonomy. In the broader geopolitical landscape, where global rivalries prompt a reassessment of responsibilities, FCAS emerges as a nuanced solution. It allows Europe to develop its strategic capabilities while maintaining collaborative ties with the United States through NATO. The project's flexibility accommodates varying strategic goals within European member states, providing a platform for both those seeking a strong European pillar within NATO and those envisioning greater independence from U.S. protection.

Bibliography

Camelot, M. (2023, October-December). Les Remote Carriers du SCAF : Vers une troisième dimension inhabitée ? DefTech, p. 30-35.

Le Gleut, R., & Conway-Mouret, H. (2020). 2040, l'odyssée du SCAF - Le système de combat aérien du futur. Sénat. <https://www.senat.fr/rap/r19-642/r19-642.html>

Airbus Defence and Space. (2020, September 1). Multi-Domain Combat Cloud: Collaborative Combat across all Domains. Airbus Defence and Space. https://www.airbus.com/sites/g/files/jlcbta136/files/2021-09/Flyer_EN.pdf

Airbus. (2023, November 20). Le Système de Combat Aérien du Futur (SCAF) - Entrez dans l'Internet des Objets Militaires. Airbus. <https://www.airbus.com/fr/newsroom/stories/2023-11-le-systeme-de-combat-aerien-du-futur-scaf-entrez-dans-linternet-des-objets>

MBDA-Deutschland. (2020, July 1). Die Zukunft des Luftkampfes hat begonnen. MBDA. <https://www.mbda-deutschland.de/news/die-zukunft-des-luftkampfes/>

Samama, P. (2023, December 3). La Belgique se donne deux ans pour tenter de monter à bord du Scaf. BFM Business. https://www.bfmtv.com/economie/entreprises/defense/la-belgique-se-donne-deux-ans-pour-tenter-de-monter-a-bord-du-scaf_AV-202312030177.html

Breton, J-P., & Portier, E. (2019). Le Système de combat aérien du futur (Scaf) : une politique de défense européenne qui avance. RDN. <https://www.defnat.com/e-RDN/vue-article-cahier.php?carticle=104&cidcahier=1182>

Defense-Zone. (2023, June 23). Les drones MALE. Defense-Zone. <https://defense-zone.com/blogs/news/les-drones-male>

Jolly, J. (2023, August 11). Saudis ask to join UK, Italy and Japan's joint air combat programme. The Guardian. <https://www.theguardian.com/uk-news/2023/aug/11/saudi-arabia-asks-to-join-uk-italy-japan-joint-air-combat-programme-tempest-gcap>

Tytelman, X. (2022, October 1). SCAF: un chasseur de 6ème génération contre les nouvelles menaces [Video]. YouTube. <https://www.youtube.com/watch?v=Hld809xPbVA>

Newdick, T. (2021, November 23). Italian Air Force Boss Envisions Merger Of Europe's Next-Generation Combat Aircraft Programs. TWZ. <https://www.twz.com/43267/italian-air-force-boss-envisages-merger-of-europes-next-generation-combat-aircraft-programs>

Bezat, J-M. (2022, December 9). Avion de combat : un rival anglo-italo-nippon pour le SCAF. Le Monde. https://www.lemonde.fr/economie/article/2022/12/09/avion-de-combat-un-rival-anglo-italo-nippon-pour-le-scaf_6153743_3234.html

Neumann, N. & Rasio, G. (2023, October 18). Italy doubles GCap combat air funding to over \$8 billion in latest defence budget. Shephard. <https://www.shephardmedia.com/news/air-warfare/italy-doubles-gcap-funding-surpassing-8-billion-in-latest-defence-budget/>

Machi, V. (2022, March 4). FCAS warplane program stalls, as Dassault and Airbus fail to reach key industry deal. DefenseNews. <https://www.defensenews.com/global/europe/2022/03/04/fcas-warplane-program-stalls-as-dassault-and-airbus-fail-to-reach-key-industry-deal/>

Vincent, E. (2023, June 20). Pour Emmanuel Macron, le projet de bouclier antimissile européen "prépare les problèmes de demain". Le Monde. https://www.lemonde.fr/international/article/2023/06/20/pour-emmanuel-macron-le-projet-de-bouclier-antimissile-europeen-prepare-les-problemes-de-demain_6178403_3210.html

Möhring, J. (2023, December). Troubled Twins: The FCAS and MGCS Weapon Systems and Franco-German Co-operation. Ifri. https://www.ifri.org/sites/default/files/atoms/files/ifri_mohring_fcas_mgcs_weapon_systems_2023.pdf

Riou, V. (2023, May 26). Evolution du Rafale et avenir du SCAF : le point de vue de Dassault. Air&Cosmos. <https://air-cosmos.com/article/evolution-du-rafale-et-avenir-du-scaf-le-point-de-vue-de-dassault-65079>

White, A. (2023, May 19). Spain's top officers outline their weapons "shopping list for Santa". Breaking Defense. <https://breakingdefense.com/2023/05/spains-top-officers-outline-their-weapons-shopping-list-for-santa/>

Vogel, D. (2020, December). Future Combat Air System: Too Big to Fail. Stiftung Wissenschaft und Politik. <https://www.swp-berlin.org/10.18449/2020A98/>

Cenciotti, D. (2011, January 13). Fighter generations comparison chart. The Aviationist. <https://theaviationist.com/2011/01/13/fighter-generations-comparison-chart/>

Hollings, A. (2021, February 10). Everything you need to know about fighter generations. Sandboxx News. <https://www.sandboxx.us/news/everything-you-need-to-know-about-fighter-generations/>

Billon-Galland, A., & Thomson, A. (2018). European strategic autonomy: stop talking, start planning. European Leadership Network. - <https://www.jstor.org/stable/pdf/resrep22125.pdf>

Davis and Meier, 2023: <https://cepa.org/article/the-challenges-posed-by-21st-century-warfare-and-autonomous-systems/>

Dossi and Masuhr, 2021: <https://css.ethz.ch/content/dam/ethz/special-interest/gess/cis/center-for-securities-studies/pdfs/CSSAnalyse291-DE.pdf>

Engelbrekt, Kjell: Beyond Burdensharing and European Strategic Autonomy. Rebuilding Transatlantic Security after the Ukraine War, in: European Foreign Affairs Review 27(2022) 3, pp.383-400. - <https://kluwerlawonline.com/journalarticle/European+Foreign+Affairs+Review/27.3/EERR2022028>

Gajauskaitė, Ieva: Poland's Resilient Atlanticism, in: Česnakas, Giedrius/ Juozaitis, Justinas (eds.): European Strategic Autonomy and Small States' Security. In the Shadow of Power, London/ New York 2023, pp.63-80. - <https://www.researchgate.net/>

[profile/Justinas-Juozaitis-2/publication/366203062_European_Strategic_Autonomy_and_Small_States'_Security_In_the_Shadow_of_Power/links/63a0782e024dc52c8a321ed2/European-Strategic-Autonomy-and-Small-States-Security-In-the-Shadow-of-Power.pdf#page=80](https://www.researchgate.net/profile/Justinas-Juozaitis-2/publication/366203062_European_Strategic_Autonomy_and_Small_States'_Security_In_the_Shadow_of_Power/links/63a0782e024dc52c8a321ed2/European-Strategic-Autonomy-and-Small-States-Security-In-the-Shadow-of-Power.pdf#page=80)

Helnarska, Karolina Julia: Strategic Autonomy of the European Union in the Politics of France before and after Russian Aggression in Ukraine; 2022 - https://www.researchgate.net/profile/Karolina-Julia-Helnarska-2/publication/367268624_Strategic_autonomy_of_the_European_Union_in_the_politics_of_France_before_and_after_Russian_aggression_in_Ukraine/links/63c96319d9fb5967c2ecbc6b/Strategic-autonomy-of-the-European-Union-in-the-politics-of-France-before-and-after-Russian-aggression-in-Ukraine.pdf

Henrich, Isabel. (2023). Kurz erklärt: Das Future Combat Air System. Aero Report. <https://aeroreport.de/de/good-to-know/kurz-erklart-das-future-combat-air-system>

Martin, G., & Sinkkonen, V. (2022). Past as prologue? The United States and European strategic autonomy in the Biden era. *European Foreign Affairs Review*, 27(special issue 1), 99-120. https://www.researchgate.net/profile/Ville_Sinkkonen/publication/361033956_Past_as_Prologue_The_United_States_and_European_Strategic_Autonomy_in_the_Biden_Era/links/6298c36a55273755ebcbde1c/Past-as-Prologue-The-United-States-and-European-Strategic-Autonomy-in-the-Biden-Era.pdf?origin=journalDetail&_tp=eyJwYWdlIjoiam91cm-5hbERldGFpbCJ9

Mérand, F. (2008). *European defence policy: beyond the nation state*. OUP Oxford.

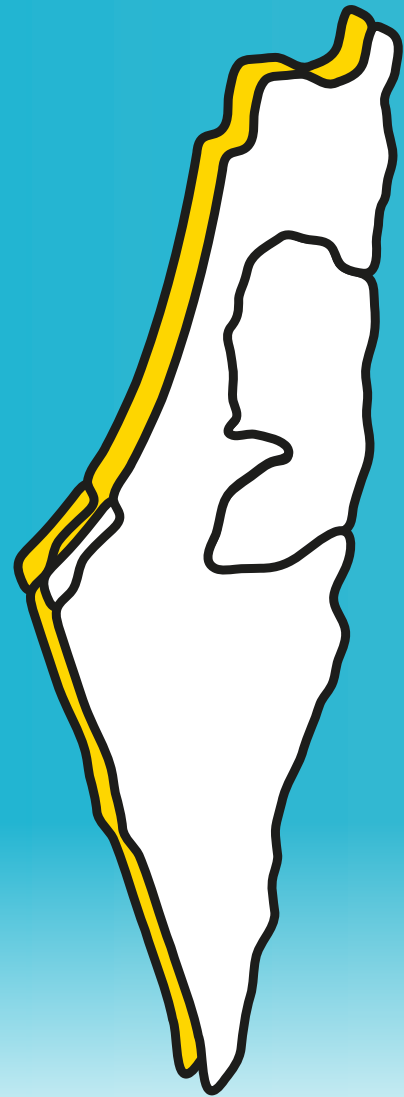
Mickel, D. J. (2019). *A clouded future: on combat clouds in the US and Europe and their impact on NATO's capability gaps* (Master's thesis, University of Twente).

Möhring, 2023: https://www.ifri.org/sites/default/files/atoms/files/ifri_mohring_fcas_mgcs_weapon_systems_2023.pdf

Riou, Victor (2023). Évolution du Rafale et avenir du SCAF : le point de vue de Dassault. Air&Cosmos. <https://air-cosmos.com/article/evolution-du-rafale-et-avenir-du-scaf-le-point-de-vue-de-dassault-65079>

Szymanski, 2022: <https://www.sueddeutsche.de/politik/bundeswehr-kampf-drohnen-bundesregierung-1.5561078>

Tolk, A., Bair, L. J., & Diallo, S. Y. (2013). Supporting Network Enabled Capability by extending the Levels of Conceptual Interoperability Model to an interoperability maturity model. *The Journal of Defense Modeling and Simulation*, 10(2), 145-160.



Opinion Building about Israel-Palestine Conflict



Joschka Menge [in](#)

Joschka is 23 years old and studies European Studies in Maastricht. He has just completed his semester abroad in South Korea and is now writing his BA thesis..

The Israel-Palestine conflict is one of the most enduring and complex geopolitical issues in modern history. The conflicts' complexity makes it hard to easily form a clear opinion on that issue. It is rooted in deep historical, religious, and nationalistic disputes. At its core, it encompasses a struggle over land, peace, and sovereignty, with profound implications for the people living in the region and for international peace and security.

The origins of the conflict trace back to the late 19th and early 20th centuries, with the rise of Zionist and Palestinian nationalist movements. Both, the establishment of the State of Israel in 1948 and the subsequent wars and territorial disputes have led to prolonged suffering, displacement, and a cycle of violence affecting generations of Israelis and Palestinians.

Efforts to achieve a peaceful resolution have been numerous, involving bilateral talks, international mediation, and various proposals for a two-state solution, aiming to establish an independent Palestinian state alongside Israel. However, deep-seated mistrust, political divisions, and external influences have continually hampered these efforts.

It is undoubted that both sides need to be critiqued for some of their actions. On the one hand, the state of Israel's needs to be critiqued in its policies and actions regarding Palestinians, particularly in terms of military occupation, settlement expansion, and the conditions in Gaza. Now, during the war, the state of Israel has hold off to supply the people of Gaza with food, water and medicine for a long time. Citing international human right organizations, like Human Rights Watch, almost 50% of all people in Gaza did not have access to clean water nor food at some point.

On the other hand, the issues of anti-Semitism and the manipulation of the Palestinian cause by various global actors, like the Hamas, for their own political and religious ends is to be critiqued. Further, describing the bloody attack on Israeli civilians carried out by Hamas as a tragedy would be an understatement. Hamas' technique to hide out in civilian targets like hospitals and schools is a disgusting way of waging a war and is nothing less but a tool to get Israel to take further casualties into account.

It's crucial to approach discussions on the Israel-Palestine conflict with empathy and an open mind, recognizing the legitimate rights and grievances of both sides. Peace requires acknowledging the humanity of the other, understanding the complexities, and working tirelessly towards solutions that respect the dignity, security, and aspirations of all involved. The international community must support dialogue and practical steps that lead towards a just and lasting peace, ensuring that future generations of Palestinians and Israelis can live side by side, free from fear and conflict.

The Two-State Solution:

The two-state solution refers to a proposed framework aimed at resolving the Israeli-Palestinian conflict by establishing two separate states for the two peoples within the territory of historic Palestine and the modern borders of Israel. This solution envisions the creation of an independent State of Palestine alongside the State of Israel, living in peace and security. The idea is based on the principle of self-determination and seeks to address the national aspirations of both Palestinians and Israelis.

Personally, I find it very difficult to unconditionally support one or the other side of this conflict. Both sides, in their narrative, are on the right side of history. Though, I condemn any kind of violence as well as hate on either side. I believe it to be critical to examine one's own biases and the ideological frameworks that shape our understanding of such conflicts, in order to fully understand our own position towards such conflicts.

As already mentioned above, both sides of the conflict are to be criticized. Further, it is urgent to have a nuanced understanding beyond conventional partisan perspectives. Furthermore, the role of global capitalism, ideological manipulation, and the impact of external political interests in perpetuating the conflict are not to be underestimated and need to be considered when forming a nuanced opinion on any conflict.

It's crucial to approach discussions on the Israel Palestine conflict with empathy and an open mind, recognising the legitimate rights and grievances of both sides. Peace requires acknowledging the humanity of the other, understanding the complexities, and working tirelessly towards solutions that respect the dignity, security, and aspirations of all involved.



Stop further Schengenigans

What potential new member states should learn from Romania's and Bulgaria's problems to join Schengen



Steffen D. Meyer [in](#)

Steffen D. Meyer lives in Berlin and is a Content Creator for European Politics. His Instagram channel @steffendmeyer counts 15k followers. He worked many years in journalism before taking the road towards digital marketing and aims to burst national media bubbles.

Europe's famed no-border-control-Schengen-area may get even larger with new EU candidates on the horizon. But if the accession procedure stays as it is, new EU countries may remain outside of the Schengen area for years to come, even after becoming an EU member and even if the majority of Europeans are in favor of it. Those Schengenigans have to stop, and in this article, I'll show you why they exist and how they can be prevented.

Six countries currently negotiate with the EU to access the club: Albania, Moldova, Montenegro, North Macedonia, Serbia and - since December 2023 - Ukraine. While there are many arguments to be made and discussions to be held, joining the Schengen area should be regulated in another way than in the accession rounds before.

How bad the current system is, is revealed by the process of Romania and Bulgaria trying to join Schengen. Even though fact-finding missions by the EU Commission already confirmed in 2011 that the two countries may join, 3/4 of members of the EU Parliament agreed to it and almost all governments in the EU were convinced, they didn't gain any access for the last years. In a most recent farce in December 2023, Romania and Bulgaria were granted restricted access by inventing an Air & Water Schengen. This removed border controls for airplanes and ships but upheld controls for vehicles. In consequence, long lines of trucks are still standing at the Romanian and Bulgarian borders for hours, waiting for the pass control. This slows down trade in Europe and produces unnecessary exhaust fumes, hurting the European economy and the environment.

Schengen Area:

The Schengen Agreement to reduce border controls was signed in 1985 by five out of the ten countries that were members of the European Community back then. It was supplemented in 1990 by the Schengen Convention and made into the Schengen Area in 1995. With the Amsterdam Treaty, Schengen became part of EU law in 1999.

And all this nonsense happens because the Austrian government says Nein (the acting Dutch government, which had reservations against Bulgaria before, recently dropped its veto). Austria's government argues that by allowing both countries into Schengen, more migrants may come into Austria via the Balkan Route. Strange enough, in Hungary - in contrast to Austria, a direct neighbour to Romania -, the government doesn't oppose the Schengen accession of the two countries. At the same time, the Hungarian government isn't exactly famous for being migration-friendly, or even Europe-friendly that is. Even more strange is that And all this nonsense happens because the Austrian government says Nein (the acting Dutch government, which had reservations against Bulgaria before, recently dropped its veto). Austria's government argues that by allowing both countries into Schengen, more migrants may come into Austria via the Balkan Route. Strange enough, in Hungary - in contrast to Austria, a direct neighbour to Romania -, the government doesn't oppose the Schengen accession of the two countries. At the same time, the Hungarian government isn't exactly famous for being migration-friendly, or even Europe-friendly that is. Even more strange is that Austria allowed Croatia to join, which

also lies on the Balkan Route and which border is way closer to Austria's border than Romania's. Some reports conclude that the Austrian veto is driven by appealing to far-right voters rather than facts.

However, the whole debate just distracts from the core problem, which is that: just one government can block an integration step against the will of a large majority of the EU Parliament and a vast majority of EU governments. The minority rules over the majority. This shouldn't be the case.

While there's almost no chance to change this procedure for Romania and Bulgaria now, there is hope for the new member states due to the judicial nature of the Schengen accession provisions. Now it gets tricky, but bear with me.

Schengen started as various inter-governmental treaties that were made between states from 1985 onwards. In 1999, the sum of these treaties - the Schengen acquis - was made EU law. Thus, member states automatically become part of Schengen - except for Ireland and Great Britain which had opted out. However, when new countries joined the club after 1999, an extra layer of law was added that prevented them from joining Schengen immediately. This layer isn't found in EU law but somewhere else, namely: in the accession treaties.

Accession treaties are made between the EU and new member states after accession negotiations are concluded. These treaties contain extra rules for individual member states, and for every new member state after 1999, Article 4 was written down in these

treaties. This article states that the Schengen acquis will only apply to new member states if the members of the EU Council, consisting of each member state government's representative, reach a positive decision in unanimity, giving every national government in the EU an effective veto right. The EU Commission only provides evaluation and the EU Parliament only needs to be consulted, making the EU governments the sole deciders on the issue.

This archaic procedure resembles the early stages of European integration, when the EU Parliament was more of a consultative body and intergovernmental power-play was the norm. Today, most of the EU legislation process grew out of this infant phase and the EU

Parliament has a strong say in making European decisions. This bolstered the general European interest in comparison to singular national interests. However, by writ-

ing the Schengen access procedure into the accession treaties, the Council found a loophole to preserve its old privileges.

This loophole not only keeps the EU Parliament out but also grants the Council voting in secrecy. Since this decision-making process isn't written down in normal EU legislation, the standard rules don't apply, and voting records doesn't have to be made public. So Europeans just have to trust the country leaders that Austria is the culprit and no one else secretly votes No, too. Thus, this procedure not only gives national governments the sole power, but protects them from scrutiny as well. Archaic indeed.

However, the good thing about this extra layer of law is that new accession treaties may be drafted with a different Article 4, for example by replacing the unanimity vote by EU governments with the ordinary legislative procedure of the European Union. The ordinary legislative procedure is used for adopting most laws in the EU at the moment and only requires a simple majority by the European Parliament and a qualified majority in the European Council, meaning that 55% of EU governments have to vote in favor, while 65% of the EU population have to be represented in the Yes countries. This is still a hurdle, but far more democratic than the current one.

If Article 4 of the new accession treaties would contain this process, no government could single-handedly block countries from joining Schengen, no intransparent decision-making can take place and the best of all: You don't need to change the EU treaties to implement this process.

Thus, Albania, Moldova, Montenegro, North Macedonia, Serbia, and Ukraine would be wise to study the previous accession treaties and not only negotiate for good conditions but for good procedures as well - and prevent Europe from further Schengenigans.

Bibliography

https://home-affairs.ec.europa.eu/news/schengen-area-controls-air-and-sea-borders-bulgaria-and-romania-will-be-lifted-2024-01-03_en

<https://www.europarl.europa.eu/news/en/press-room/20230707IPR02431/bulgaria-and-romania-should-be-in-schengen-by-end-of-2023-says-parliament>

Council decision on the full application of the Schengen acquis in Bulgaria and Romania: <https://www.consilium.europa.eu/en/press/press-releases/2023/12/30/schengen-area-council-takes-move-towards-lifting-border-controls-with-bulgaria-and-romania/>

The minority rules over the majority. This shouldn't be the case.



Armament Supply for Ukraine:

A Narrow Path of Diplomacy



Ron Keller

Ron Keller is an advisor, analyst, commentator and lecturer on geopolitics, international finance, trade, energy and investment. He has served as the Dutch ambassador to Ukraine, Russia, Turkey, and China between 2005 and 2017, and has held key positions at the European Bank for Reconstruction and Development, the European Union, the International Monetary Fund, the World Bank, and the Dutch Ministries of Finance and Foreign Affairs. Currently affiliated with the Speakers Academy, he combines financial and economic expertise with knowledge of foreign policy and international relations, providing valuable insight into complex international issues. In addition, Mr Keller advises various international companies and institutions, lectures at renowned universities and contributes as a commentator and strategic analyst to Dutch and international media.

Himmel: As we are speaking about the Ukraine war, we are also speaking about military aid: should we provide military aid to Ukraine?

Keller: Military aid as in the current situation – yes. There's no way back. We have to support Ukraine militarily, politically, financially, emotionally. This is not only a matter of European solidarity, but it's also in our own interest.

Himmel: You mentioned four criteria. Starting off with financially. As you have a background in finance, you are familiar with the fact that financial investments fail sometimes. So why don't we resume after pumping 100 billion euros: We stop it, it's not working out.

Keller: Because we're not talking about a one-time investment. We're talking basically about multi-year financing of the current expenditures of Ukraine. I mean the salaries of hospital workers, of teachers, of civil servants, therefore, not only the military. Expenditures that avoid Ukraine from completely collapsing. Since we cannot let this happening, we have to continue to provide Ukraine with financial support the coming years.

Himmel: You also mentioned emotionally. Would you frame it like a ethical duty, moral obligation?

Keller: There are two sides of it. Number one, any country that is attacked by another country, neighbouring country, which didn't provoke being attacked, should be supported by the world community.. This principle should apply to any country in the world, and certainly to one, which is close to us. We are talking about European people are losing their lives, their belongings and their relatives now. So, it's a matter of solidarity. Number two, it's also a matter of keeping the international stan-

dards of not going to war anymore if you don't like what your neighbouring country is doing. Instead one talks and listens to each other from mutual respect. In this case Russia shows no respect for Ukraine, and for agreed principles of international law and justice.

Himmel: You also spoke about of military and political concerns. That brings me to other tools of diplomacy besides military aid. What would you, having been for many years an ambassador, say are some other tools of diplomacy?

Keller: The fact that we are in a war basically means that regular diplomacy failed. And I mean diplomacy in the widest sense of the word, because nowadays traditional ambassadors are not the only ones responsible for political communication between countries They are not the only "Botschafter", the messenger, anymore between countries. Nowadays, Prime Ministers and other officials at all levels call each other, and they meet each other regularly in international meetings. For instance, when I was working in the Dutch Finance Ministry on international affairs such as building the Euro currency system or preventing a collapse of highly indebted countries such as Brazil and Mexico, I basically also did diplomatic work.

2008 NATO summit conclusion:

The heads of state and government of the member states of the North Atlantic Treaty Organization gathered from April 2 to 4, 2008 in Bucharest, Romania. The membership applications of Ukraine and Georgia are considered essential there, but have been postponed. Germany and France prevented the US from expanding NATO.

Himmel: So, the cell phone made ambassadors dispensable. (laughter)

Keller: Yeah, (laughter) the cell phone makes for sure have lowered further the threshold. But your question was, is there more than military and diplomacy? My answer is yes. Nowadays, in the world where people and countries are so closely connected, the wider relationship, including the history and the cultural developments, determines much more the interaction and communication between countries than what diplomats did in the past.

Himmel: Having the set the status quo, what can we do now? How can those heated-up conflicts can be dissolved? Conducting another conference, by allowing some successions?

Keller: Even in those deep conflicts, there's always a tiny little window of talking. You see that Russia and the US are still talking, for instance on avoid-

ing nuclear threats. You see that's for instance the Defence Ministries of Russia and Ukraine are talking about exchanging prisoners of war. This will not stop the conflict of fighting and open up a whole peace conference. But it may be the beginning of that. But talking about peace usually only occurs if either one of the two parties clearly wins, or both parties are exhausted. Russia is not going to win. If only because the West, the European and the United States, are not giving up supporting Ukraine. But Ukraine also will have a very difficult, if not impossible task to push the Russians out. Most likely, the scenario will be that two parties will end up in a stalemate. It

could be triggered by the fact that Mr. Putin falls away or Mr. Zelensky is replaced. Often new leadership brings in the opportunity of a new approach. Certainly, in countries being so vertically organized, that change at the top will make a difference. But also bear in mind that there is more continuity in these top-down organized countries than one thinks. If only because the new leader needs to explain to his own people that it is all over sudden good to stop fighting. All the war rhetoric and all the propaganda from the past needs to be reversed.

Himmel: Could it also then be of help if the US and the Europeans are assisting Russia to create that image that an end of this war does not create an image of the "defeated one".

Keller: Eventually the war the Russian motive for this war is to regain respect. I talked couple of dozen times to Putin, and he repeatedly said to me, Mr. Keller 'I do not understand why the West with their expansion of NATO further wants to humiliate me and the Russian people. We already lost the Cold War and the Soviet Union is dissolved. You want me to go further back into Siberia?' We learned in 1918 after the First World War, to not humiliate the losers, and after the Second War to actually help the losing country to recover. Coming back to the shorter term of how will this conflict be resolved: for the time being, the only possibility is that both parties come to the conclusion not being able to win this war. Most likely, this will happen only after both Zelensky and Pu-

tin have been replaced. There is perhaps an alternative option: a group of countries organizing a peace conference. Such an initiative could be taken by 'neutral' countries like China, India, Kazakhstan, or Saudi Arabia, accompanied by silent diplomacy, behind the scenes. But unfortunately, such a group does not exist, yet.

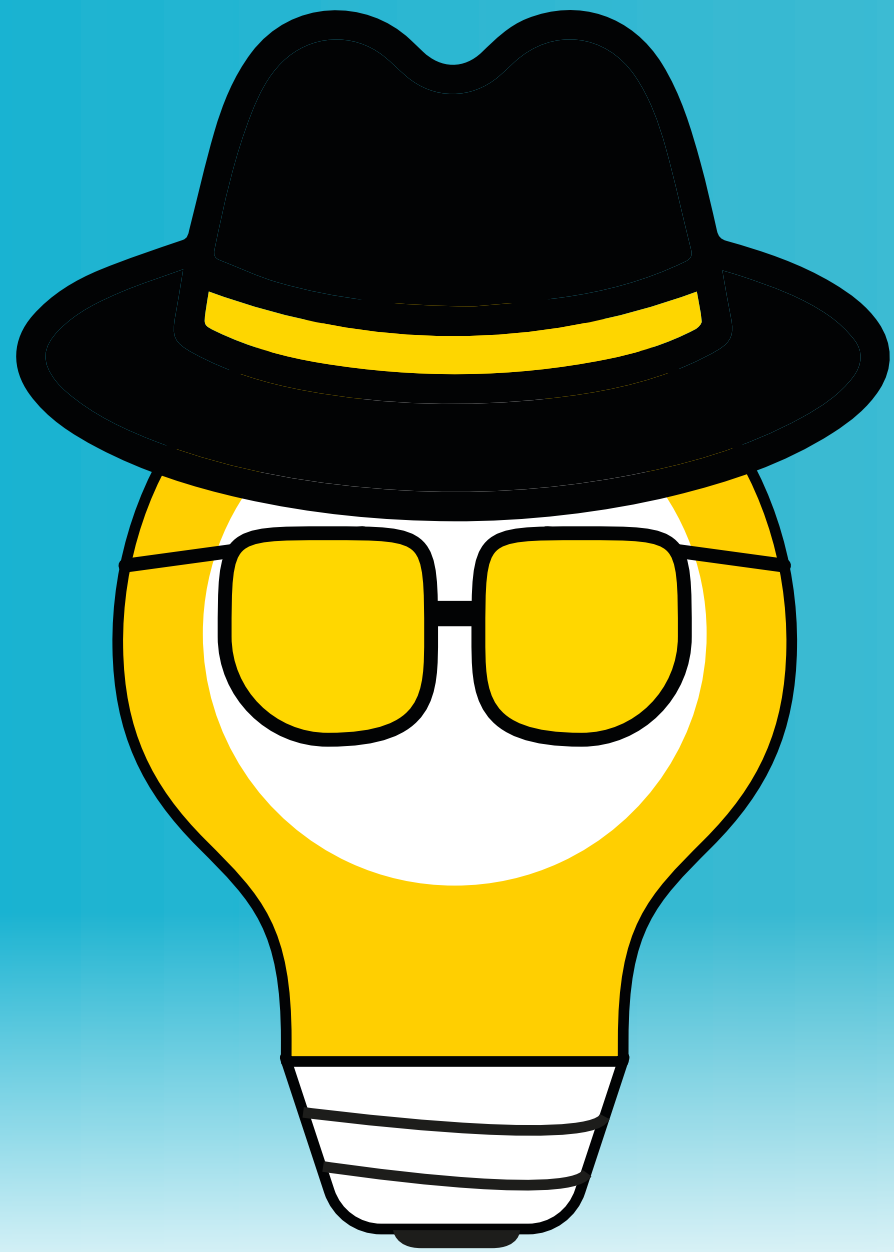
Himmel: Would it the relinquishment of Ukraine to pursue a NATO membership be a necessity for a peace deal obtained by such a conference?

Keller: Not necessarily. The whole conflict started with the 2008 NATO summit conclusion that Georgia and Ukraine would get the promise to become NATO member. When I met Putin a few months later, he said, 'if Mr. Yanukovich cannot bring Ukraine back to neutrality, then I will have to do the same with Ukraine, as what I did to Georgia.' That is, to invade Georgia, which Russia did a few months after the NATO summit. When Yanukovich was ousted in 2013, Putin did what he already told me five years earlier, they started the frozen conflict in Ukraine, in Donetsk and Lugansk. And he annexed illegally the Crimea. Now Russia went further because they feared that Ukraine would indeed become NATO member, if only because now the Ukrainians will at all costs, want to have NATO membership. I do not see Ukraine and NATO giving up their desire to be together, even in possible peace negotiations with Russia in the future.

Himmel: As you are also a member of Euro Defence, what is the interest of Europe? We talked about respect for Russia. Is it not better for Europe or NATO to just leave Ukraine in the buffer zone rather than as a full member?

Keller: In 2008, we should have either left Ukraine neutral, which was for instance agreed with the Russians in the Budapest Treaty in 1996 and was in line with all the understandings and agreements made, or we should have made Ukraine instantly member of NATO. And giving it all the protection it already then needed against Russia. Unfortunately, we chose a compromise, which only postponed the military Russian reaction to Ukraine's NATO ambitions. The problem is that in Europe we do not have a long-term strategic thinking about our geopolitical strategic interests. Bear in mind that the American geopolitical interests and the European ones coincided during the Cold War. But since the Cold War is over, Europe and the United States react differently to geopolitical challenges. One example: in December 1989, a few weeks after the fall of the Berlin Wall, the US voiced already concern about a united Europe. The Americans never trusted Russia, and certainly not that Russia could in a few years become a western oriented country. We in Europe chose the opposite: we opened the door for full cooperation and trust with Moscow. We saw a future of an integrated, peacefully working, cooperating Europe, including Russia. We now know that Europe was much too naïve. If the European Union would have had in 2008, a strong and united European foreign policy and a strong European defence corporation, Putin would not have dared to do with Ukraine what he did. And that's why I'm an active supporter of the EuroDefence network, and I hope that this tragedy in Ukraine and in general in the world would make our politicians become much more visionary and more daring in the interest of future generations Europeans.

Even in those deep conflicts, there's always a tiny little window of talking.



Hiding in Plain Sight:

The Opportunities and Challenges of Open-Source Intelligence



Pablo Mathis [in](#)

Pablo Mathis (*2001) currently studies Security Studies at Leiden University in the Netherlands. Pablo's main area of interest is national security, with a special focus on great-power competition and nuclear and conventional deterrence.

From analysing the ty of OSINT organisations and governments regarding vital interests are discussed. This paper posits that accountability concerns over vital interests are not unique to OSINT but are as old as democracy itself. The rising prominence of OSINT might thereby fuel a long-overdue debate concerning vital interests.

the downing of Flight MH17 over Ukraine in 2014 to investigating international crimes committed in the Russia-Ukraine War, open-source intelligence (OSINT) has gained ample media attention. Labelled "the people's panopticon" by The Economist (2021a, title section), OSINT grants citizens unprecedented insights into international relations and conflicts. Moreover, OSINT is set to reshape international justice and investigative journalism.

OSINT for Ukraine:

OSINT for Ukraine is a non-profit organisation dedicated to using open-source intelligence to uncover Russian disinformation campaigns and atrocities in Ukraine (OFU, n.d.-a). The organisation has branches in The Hague, Amsterdam, and Berlin (OFU, n.d.-b).

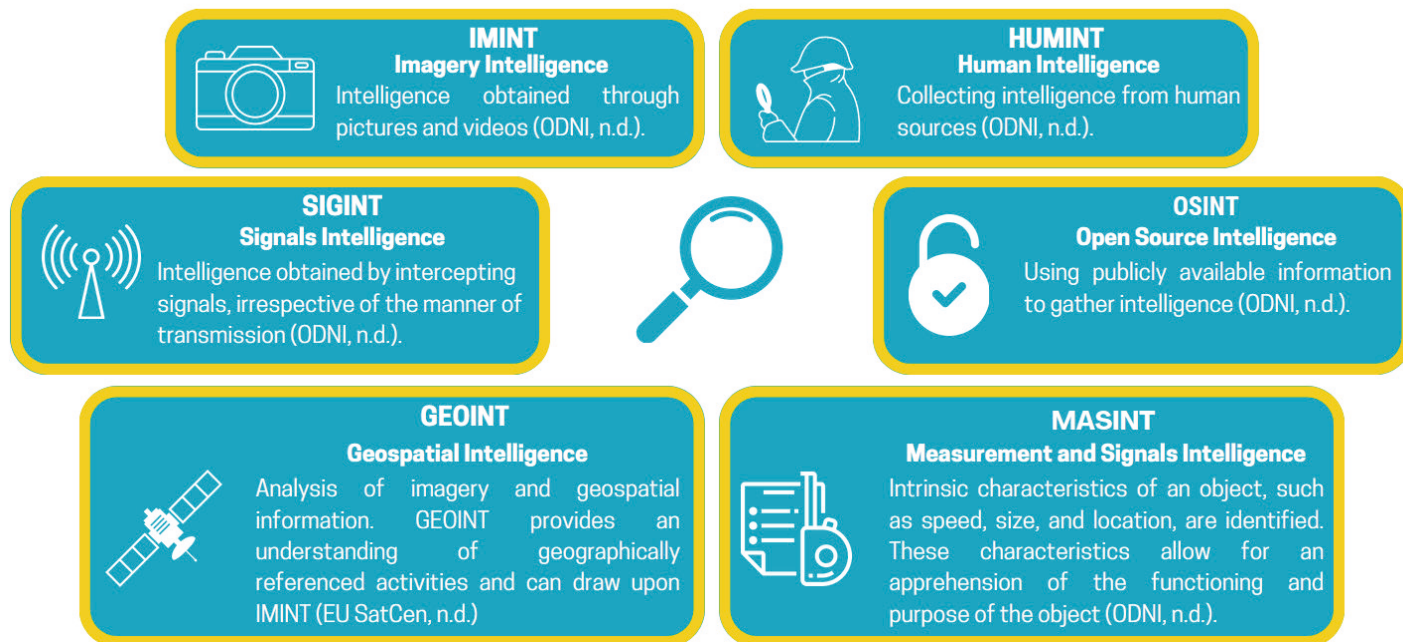
<https://www.osintforukraine.com/>

OSINT: What is in a Name?

The term OSINT entails two aspects: open-source and intelligence. Intelligence is the concept underlying OSINT and can denote a process, product, or organisation. Key to intelligence as a process is the verification and interpretation of information, with intelligence as a product being the result of said process. However, the term can also apply to organisations such as the OFU that carry out and produce intelligence.

What sets OSINT apart from other forms of intelligence is that it relies on openly accessible sources. Openly accessible sources are available to the public and can be used to obtain information through legal means. Nevertheless, grey areas exist: "Take information published online by a hacker or whistleblower. If another party were to use this information to produce intelligence, I would still regard it as OSINT. After all, the information was publicly available," explains D. Dirisu (personal communication, December 13, 2023). Whereas much of the information is obtained freely online, OSINTers may also pay to receive specific information. In these circumstances, the criterion for open access is that the information is still obtained legally and, provided payment, is accessible to everybody. An example of such paid services is the company Satellogic, which provides satellite images to a paying client.

Intelligence Sources and Collection Disciplines



Hiding in Plain Sight: The Power of OSINT

While listening to D. Dirisu, one cannot help but wonder how much is hidden in plain sight. Over the last decade, internet and social media proliferation has led to an exponential increase in information. With this plethora of information and users' obliviousness to what they disclose online, a treasure trove of potential intelligence lies at our fingertips. It comes that although OSINT can be traced back as far as the American Civil War, its increasing prevalence is closely linked to the rise of the internet (Block, 2023).

The breakthrough of OSINT into public conscience arguably came with the downing of Malaysian Airlines Flight MH17 over Ukraine in 2014. Bellingcat, another OSINT organisation, obtained high media attention with its investigations into the accident (Block, 2019). However, OSINT is not limited to investigative journalism and has been employed for military purposes, corporate espionage, and evidence gathering for legal proceedings.

Regarding Russia's full-scale invasion of

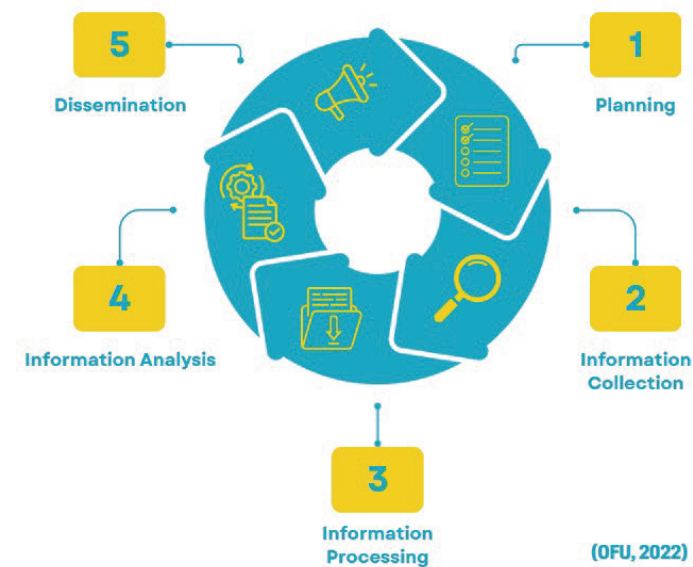
Ukraine in February 2022, OFU initially saw intense social media coverage. However, D. Dirisu notes that individuals have become more cautious about uploading information on social media: "What we are witnessing in Ukraine is the engagement of two hierarchically organised militaries. As such, commanders can effectively discipline soldiers on their social media usage" (personal communication, October 9, 2023). In addition, Ukrainian officials have urged civilians to be prudent about the sensitive information they reveal on social media. Moreover, changing algorithms at X have impacted the work of D. Dirisu: "With Musk's take over and the decreasing importance of fact-checking at X, disinformation has increased. For us, this means we ought to be extra diligent in using information from X" (personal communication, December 13, 2023).

The Intelligence Cycle: From Information to Intelligence

Since OSINT is based on openly accessible information, conducting OSINT seems all too easy. But this is not to succumb to the

fallacy that information equals intelligence. "If I find a picture of a destroyed tank online, this is not intelligence but open-source information," warns D. Dirisu (personal communication, December 13, 2023). However, open-source information can form an essential part of the intelligence cycle that produces OSINT. The intelligence cycle entails verifying and interpreting information and constitutes the difference between what some deem good and bad OSINT. "Bad OSINT is pure speculation, rushing to conclusions without verification," remarks D. Dirisu (personal communication, December 13, 2023).

THE INTELLIGENCE CYCLE



The first phase of the intelligence cycle is the planning stage, during which an investigator determines what he is looking for. For OFU's work, investigators ideally have a good command of Russian and Ukrainian. Moreover, detailed knowledge of the country and conflict is beneficial. As D. Dirisu points out, "If you want to find a rat, you must think like a rat" (personal communication, December 13, 2023).

The first stage constitutes the basis for the second stage, in which the OSINTer collects information. IMINT, GEOINT, and SIGINT constitute the main collection methods in OSINT. A primary source of GEOINT is satellite imagery, which can be obtained through free-to-use services such as Google Earth and Google Earth Pro. However, the availability of satellite images can be limited by the satellite's orbit, meaning the satellite did not photograph a particular area at the time of interest. Resolution constitutes another potential shortcoming of satellite imagery. To identify buildings, a resolution of 10 metres is necessary. Although free satellite imagery providers provide this resolution, challenges augment regarding vehicles and missile or artillery strikes. These require a resolution of 1 metre or less, and humans only become visible at 30 centimetres. Said deficiencies can be addressed by paying companies such as Satellogic to provide higher-resolution images and change their satellites' orbits. However, obstacles like cloud coverage might remain (D. Dirisu, personal communication, January 10, 2024).

A prominent SIGINT tool is Flight Radar 24. Flight Radar 24 employs a network of receivers that record ADS-B transponder signals to track aircraft. ADS-B transponder signals provide information on an aircraft's identity, altitude, speed, and GPS location (Flightradar24, n.d.). Nevertheless, pilots can turn off their transponders. In such cases, D. Dirisu and his colleagues might rely on VISINT, which planespotter upload online (personal communication, December 13, 2023).

The third stage in the intelligence cycle is information processing. During this stage, information is downloaded, and context is

added. “We have to work under the assumption that nothing is obvious. When we download material, the context might be clear to us but not others. Failing to provide context will lead to speculation.”, cautions D. Dirisu (personal communication, January 9, 2023)

The fourth stage includes data verification. “The greatest asset, but also the greatest weakness of OSINT, is exactly that: it is all open source. A post can be uploaded with little regard to authenticity.”, emphasises D. Dirisu (personal communication, October 9, 2023). Methods of verification are ample and used in combination. The investigators can assess the track record of a source and whether it is known to publish authentic information. An investigator will never rely on a single source, cross-referencing all his information. Another method is reverse image searching, allowing analysts to find the earliest version of an image posted online. Employing this tool is particularly relevant in detecting cut or otherwise manipulated content.

The final step of the intelligence cycle is the writing and disseminating of intelligence reports. In this phase, investigators face a crucial dilemma. Intelligence reports ought to balance acknowledging the uncertainty of findings while presenting a specific probability estimate. On the one hand, precise estimates are difficult, as intelligence covers unique events that defy empirical frequencies. On the other hand, a degree of specificity remains necessary (OFU, 2022). “If I say something is possible, it could range from 1 to 99 per cent probability. This uncertainty curtails the value of intelligence”, D. Dirisu warns (personal communication, January 9, 2023).

Beyond Investigative Journalism: Legal OSINT

OSINT has gained attention as a tool for investigative journalism. Beyond that, OSINT is employed for legal purposes. “Traditional, boots-on-the-ground fact-finding missions are difficult in active war zones. OSINT can provide a new avenue for prosecuting international crimes.”, illustrates D. Dirisu (personal communication, December 13, 2023). Nevertheless, transitioning from intelligence to evidence remains a delicate procedure. For starters, a strict chain of custody aims to prevent tampering with potential evidence. This includes rigorous documentation on where the information is stored, who accessed it, and what analyses were conducted (D. Dirisu, personal communication, October 9, 2023).

Core International Crimes

International crimes are serious violations of international law such as (Rome Statute of the International Criminal Court, 1998):

- Genocide
- War Crimes
- Crimes Against Humanity
- Crimes of Aggression

Another challenge in producing legal evidence lies in the education of legal practitioners. Currently, law students receive little training on the use of OSINT. To this end, D. Dirisu, himself a legal professional, founded the International Crimes Investigation Group. A department of OFU it seeks to bridge the gap between OSINTers and legal practitioners. Together, the Interna-

tional Crimes Investigation Group gathers evidence on international crimes committed during the Russian-Ukrainian war. Later, the evidence is shared with national and international law enforcement authorities (OFU, n.d.-b).

Belling the Cat: Using OSINT Towards Greater Government Accountability

When contemplating the insights OSINT provides citizens, one is reminded of the fable Belling the Cat. In the fable, a group of mice seeks to tie a bell around a cat’s neck to warn them of the cat’s presence. Despite meeting approval, the mice cannot find a volunteer to bind the bell on the cat. To some extent, the fable might remind readers of government accountability. A lot is undertaken to hold governments accountable, but efforts can fall short, and citizens remain in the dark. Against this background, OSINT might shed light on hitherto undisclosed government activities. Little surprise, then, that the OSINT organisation Bellingcat lends its name from said fable (The Economist, 2021a).

Given the array of checks and balances, some readers will posit that OSINT is superfluous in democracies. Nevertheless, a point can be made that deception still exists in democracies. Accountability might encourage leaders to cover up failed policies and fear-mongers to justify policies. Moreover, deception requires a degree of trust. Trust is more likely between politicians and citizens in democracies. Arguably, citizens are also less informed about foreign than domestic politics, increasing the need to trust government representatives (Mearsheimer, 2011). Deception can further be facilitated by the exclusivity of intelligence, allowing leaders to manipulate the flow of information. A case in point

is the 2003 Iraq war. Bush administration officials referred to intelligence reports indicating Saddam Hussein possessed weapons of mass destruction (Walt, 2018). With today’s prevalence of OSINT, these claims could be contested.

OSINT: A Double-Edged Sword

Looking at the 2003 Iraq war, one is encouraged to dive deeper into the annals of history. There, one stumbles upon a nuclear war, averted only by deception: the Cuban Missile Crisis. The US withdrawal of Jupiter missiles from Turkey in exchange for the withdrawal of Soviet missiles from Cuba was long denied by US officials. A case can be made that the Kennedy administration’s deception was justified, given fears that the American public would not have accepted such a compromise (Mearsheimer, 2011).

With the proliferation of the internet empowering OSINT, sensitive information might be revealed to the public, endangering international stability (The Economist, 2021b). Against this background, it might be true that “there are different kinds of truth for different people. There are truths for children, truths that are appropriate for students, truths that are appropriate for educated adults ... and the notion that there should be one set of truths available to everyone is a modern democratic fallacy” (Kristol, as cited in Thompson, 2011, para.15). Consequently, are there vital interests for which government accountability should be eased and deception tolerated? And would this mean OSINT is more a curse than a blessing?

Refraining from blatantly rejecting Kristol’s quote as undemocratic provides an appreciation of the rationale underlying deception. Kristol’s distinction between children, stu-

dents, and adults reveals that some politicians believe their constituency cannot grasp the complexity of certain affairs. Here, OSINT might close the perceived competency gap between leaders and the public. With OSINT contributing to an enlightened demos, repercussions of disclosing sensitive information to the public will be ameliorated, and incentives to deceive decreased.

Conclusion: The Need for Greater Debate

Above, questions of government accountability regarding vital interests were treated as a matter unique to the rise of OSINT. However, the historical examples presented indicate that this conundrum is not new. It follows that the discussion on OSINT, transparency, and vital interests is not unique but a testimony to an underlying conceptual debate. Which

vital interests are so critical that they are best kept secret?

This paper does not provide a definitive answer on vital interests and the role of OSINT. However, this background article can be understood as providing food for thought for a public discourse.

Encouraging an open debate goes a long way to resolving outstanding issues on the role of OSINT, government transparency, and vital interests. A discussion of these topics can yield different results. Citizens might opt for complete transparency, handing OSINT organisations a carte blanche. In contrast,

deliberation might also restrain the activity of OSINT groups and delineate areas in which government secrecy is condoned. Regardless of the outcome, what matters most is that there will have been a public debate.

“The greatest asset, but also the greatest weakness of OSINT, is exactly that, it is all open source.”,
(D. Dirisu, personal communication, October 9, 2023).

Bibliography

Block, L. (2019, May 6). How Bellingcat demonstrates the power of OSINT. *Leidensecurityandglobalaffairsblog*. <https://www.leidensecurityandglobalaffairs.nl/articles/solving-the-mh17-and-the-skripal-case-how-bellingcat-demonstrates-the-power>

Block, L. (2023). The long history of OSINT. *Journal of Intelligence History*. <https://doi.org/10.1080/16161262.2023.2224091>

European Union Satellite Centre. (n.d.). What is GEOINT? https://www.satcen.europa.eu/what-we-do/geospatial_intelligence

Flightradar24. (n.d.). How flight tracking works. <https://www.flightradar24.com/how-it-works>

Mearsheimer, J. J. (2011). *Why leaders lie: The truth about lying in international politics*. OXFORD UNIVERSITY PRESS.

Office of the Director of National Intelligence. (n.d.). What is intelligence? <https://www.dni.gov/index.php/what-we-do/what-is-intelligence>

OSINT for Ukraine. (2022). Investigation Manual. https://static1.square-space.com/static/626ef32886867e5389251d32/t/63d119311021093e2bd79e8a/1674647860219/24_01_2023_investigation_manual.pdf

OSINT for Ukraine. (n.d.-a). About us. <https://www.osintforukraine.com/about>

OSINT for Ukraine. (n.d.-b). Departments. <https://www.osintforukraine.com/departments>

Rome Statute of the International Criminal Court, July 17, 1998, <https://www.icc-cpi.int/sites/default/files/RS-Eng.pdf>

The Economist. (2021 a, August 7). The promise of open-source intelligence. <https://www.economist.com/leaders/2021/08/07/the-promise-of-open-source-intelligence>

The Economist. (2021 b, August 7). Open-source intelligence challenges state monopolies on information. <https://www.economist.com/briefing/2021/08/07/open-source-intelligence-challenges-state-monopolies-on-information>

Thompson, C.B. (2011, March 7). Neoconservatism Unmasked. *Cato Unbound*. <https://www.cato-unbound.org/2011/03/07/c-bradley-thompson/neoconservatism-unmasked/>

Walt, S. M. (2018). *The hell of good intentions: America's foreign policy elites and the decline of U.S. primacy*. Farrar, Strauss and Giroux.

EPIS BASICS: THUCYDIDES' TRAP

In EPIS Basics, our authors explain basic knowledge of international foreign affairs and security policies. This encompasses basic theories, organisations and events. This series is presented in depth here in the magazine. You can also find other smaller contributions on our Instagram page.

Pablo Mathis

Pablo Mathis (*2001) currently studies Security Studies at Leiden University in the Netherlands. Pablo's main area of interest is national security, with a special focus on great-power competition and nuclear and conventional deterrence.



"It was the rise of Athens and the fear this instilled in Sparta that made war inevitable"

(Thucydides)

Written over 2400 years ago by the Greek historian Thucydides to describe the onset of the Peloponnesian War, the fear that the rise of a new power will inevitably spell war with the existing hegemon lives on. With tensions between the US and China showing no signs of subsiding, the fear of Thucydides' trap increases. In this episode of EPIS Basics, we attempt to understand the mechanisms underlying Thucydides' trap and whether it is possible to escape it.

What Sets and Springs Thucydides' Trap?

Reading the introductory quote, the reader will find that security concerns play a substantial role in escalating tensions. Both the hegemon and its challenger perceived the other as a security threat. However, Thucydides eventually goes beyond these security concerns, stipulating that "fear, honour, and interest" were the three strongest motives that set Thucydides' trap.

If fear, honour and interest set Thucydides' trap, what springs it? Naturally, a panoply of flashpoints can act as catalysts for armed great power conflicts. A recurrent flashpoint throughout history regards the involvement of allies. The Peloponnesian war was preceded by a conflict between Sparta's ally Corinth and Athen's ally Kerkyra (Corfu). Despite Athens and Sparta being uninterested in war, both feared showing

weakness in backing down, eventually spelling war. A similar picture is presented at the onset of the First World War. In the future, a war between China and the US over Taiwan would constitute a tragic continuation of this theme.

Escaping Thucydides' Trap

Despite the daunting prophecy of Thucydides' trap, it is not deterministic. On the one hand, the historical overview of Table 1 shows that 12 of 16 instances of great power competition led to war. On the other hand, history also provides reassurance that war is not inevitable. Interestingly, over 500 years, two of the four instances in which great power competition did not lead to war occurred in the past 70 years. The reasons behind this trend are multifaceted. Realists will highlight the benefits of nuclear weapons in establishing a balance of threats. In contrast, liberal international relations scholars might emphasize the increase in trade as well as democratic and international institutions as a source of stability. However, the means of diplomacy reach beyond the frameworks of international relations theories. Creative solutions across the entire array of diplomacy will be needed to prevent future great power war. As politicians, scholars, or interested readers, it is up to us to devise novel solutions to the old problem posed by Thucydides' trap and prevent great power wars in the 21st century.

500 Years of Great Power Competition

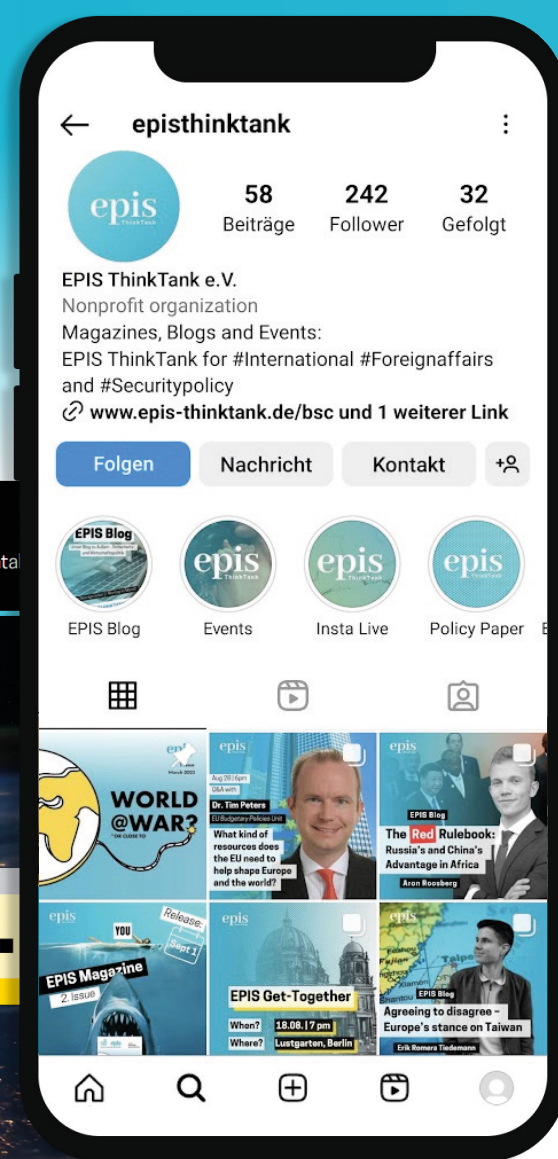
| When? | Who | Outcome |
|-------------------------------|-----------------------------|---------|
| Late 15th Century | Portugal vs. Spain | No War |
| Beginning 16th Century | France vs. Habsburg | War |
| 16th/ 17th Century | Habsburg vs. Ottoman Empire | War |
| Beginning 17th Century | Habsburg vs. Sweden | War |
| Late 17th Century | Dutch Republic vs. England | War |
| Late 17th/ Mid-18th Century | France vs. GB | War |
| Late 18th/ Early 19th Century | UK vs. France | War |
| Mid-19th Century | France & UK vs. Russia | War |

| When? | Who | Outcome |
|-------------------------------|--|---------|
| Mid-19th Century | France vs. Germany | War |
| Late 19th/ Early 20th Century | China & Russia vs. Japan | War |
| Early 20th Century | UK, France, & Russia vs. Germany | War |
| Early 20th Century | UK vs. US | No War |
| Mid-20th Century | Soviet Union, France, & UK vs. Germany | War |
| Mid-20th Century | US vs. Japan | War |
| 1940s-1980s | US vs. Soviet Union | No War |
| 1990s-Present | UK & France vs. Germany | No War |

Note. This table was created based on case files from Harvard's Thucydides' Trap Project.

EPIS ThinkTank e. V.

Der Think Tank zu Außen- und Sicherheitspolitik



Imprint

Editor-in-chief: Theodor Himmel

Publisher: EPIS ThinkTank. e.V.

Contact: kontakt@epis-thinktank.de

ISSN: 2942-6030

Are you interested in our work?

EPIS ThinkTank e.V. welcomes your support. As a member, author or supporter, you can get involved. We have been participating in the political debate for several years. As an association, we are young academics committed to fact-based and neutral debate. Our members come from all over Germany and the world.

Find out more on: www.epis-thinktank.de

or visit us on:



The articles are the statements of their authors.
They do not reflect the views of the EPIS ThinkTank e.V.

