# EU STRATEGIC AUTONOMY

## A REALITY CHECK FOR EUROPE'S GLOBAL AGENDA

Niklas Helwig

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This Working Paper analyzes the current debate on EU strategic autonomy among European policymakers and think-tankers and evaluates it against the backdrop of the EU's progress as a global actor in recent years.

To bring more clarity to the debate, the paper distinguishes between a conventional and a global perspective on strategic autonomy. While conventional strategic autonomy focuses narrowly on the EU's dependencies on the US as a security provider, global strategic autonomy highlights the EU's ability to advance a range of international policies based on its distinct values and interests.

The paper proposes three dimensions within which the capacity for EU strategic autonomy should be evaluated: institutional, material, and political. The EU has made progress in the development of its institutional framework and has also started to invest in its material resources. However, without advances in political autonomy – particularly concerning the convergence of European strategic cultures – the sovereign EU in global affairs project will be difficult to achieve.

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### INTRODUCTION

The European Union (EU) is currently facing the most challenging international environment since the end of the Cold War. Cracks have appeared in the foundations on which the EU's security and its global influence rest. The rule-based European order has been called into question by Russia's aggressive actions against Ukraine. The transatlantic alliance is in the midst of a structural transformation as US security interests move away from the European continent. The economic success story of trade and investment relations between China and the EU has been replaced by a negative assessment of Beijing's global intentions. In general, the multilateral system within which the EU built its global influence is increasingly being put under pressure, as great powers, particularly China, the US and Russia, seek a comparative advantage through competition using political, economic and military means.

The developments have triggered a debate on the need for EU strategic autonomy. First described in the 2016 EU global strategy, an "appropriate level of ambition and strategic autonomy" was seen as the basis for "Europe's ability to promote peace and security within and beyond its borders".[1] The concept might have had a short shelf life were it not for two international developments later that year which underlined the predicament of Europe's position – the Brexit referendum in the UK and the election of Donald Trump as US President. When the Covid-19 pandemic hit global production chains and medical supplies in 2020, Europe's vulnerabilities in an independent world were again on full display.

While there is no common definition of strategic autonomy, there is a convergence in the literature with regard to its meaning. Strategic autonomy is defined here as the political, institutional and material ability of the EU and its member states to manage their interdependence with third parties, with the aim of ensuring the well-being of their citizens and implementing self-determined policy decisions. Strategic autonomy does not imply a decoupling from alliances and the rest of the world, but rather describes the ability to be self-determined in pursuing and managing alliances and partnerships. It has been accurately described as "a journey rather than a destination" as the EU is in a constant process of assessing and reacting to its external dependencies.[2] Increasingly, strategic autonomy is not seen as limited to a certain sphere, such as defence policy, but instead encompasses the whole of the EU's economic and political external engagements.

The term has largely remained a buzzword in the policy debate due to its ambiguity. It is often used interchangeably with the French interpretation of "European Sovereignty", even though sovereignty implies more than just autonomy.[3] The concept provided fertile ground for the creation of new terms that put a spin on the meaning and intentions of the original concept, including "strategic responsibility",[4] "open strategic autonomy",[5] and "strategic sovereignty".[6] More often than not, the term has been used as a vehicle to steer the policy debate or as a justification device to argue for an increase in EU capacities.

Consequently, it is high time that additional clarity was brought to the debate, to further define what the EU means when it talks about strategic autonomy, and to develop categories against which the EU's performance in reaching its ambitions can be evaluated. This Working Paper starts from the premise that the current debate on EU strategic autonomy offers valuable insights into the EU's self-conception as a global actor in an environment of growing international competition. In particular, the paper finds that the conventional perspective in the EU on strategic autonomy – focused on security and defence – has made way for a new global narrative that underlines the need to shape international politics based on a distinct set of European values and interests.

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1   European External Actions Service (2016). Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign And Security Policy, p. 9, https://eeas.europa.eu.

2   Järvenpää, Pauli, Major, Claudia and Sakkov, Sven (2019), European Strategic Autonomy: Operationalising a Buzzword, International Centre for Defence and Security, p. 12, https://icds.ee/.

3   Such as domestic authority, Westphalian principles of non-interference from external actors, or international legal recognition. See Krasner, Stephen (1999), *Sovereignty: Organized Hypocrisy.* Princeton University Press.

4   Brattberg, Erik and Valášek Tomáš (2019), EU Defense Cooperation: Progress Amid Transatlantic Concerns, Carnegie Endowment for International Peace, p.17, https://carnegieendowment.org/.

5   Speech by Commissioner Phil Hogan at Launch of Public Consultation for EU Trade Policy Review – Hosted by EUI Florence, June 16, 2020, Florence, https://ec.europa.eu/.

6   Leonard, Mark and Shapiro, Jeremy (2019), Strategic sovereignty: How Europe can regain the capacity to act, European Council on Foreign Relations, https://www.ecfr.eu/.

The EU's new self-conception as an autonomous actor in global affairs has to be pitted against its actual development. In this respect, the paper suggests analyzing the institutional, material and political dimensions of the EU's strategic autonomy separately. It finds that the EU's new ambitions are constrained by a lack of capacity to generate joint evaluations and policy convergence, which would be needed to make progress on the EU's agenda to become strategically autonomous. In particular, convergence of the member states' strategic cultures – a common set of norms, strategic evaluations and behavioural patterns that facilitate joint action – amidst the new international realities would help in this endeavour.

## EUROPE'S NEW GLOBAL AMBITIONS FOR STRATEGIC AUTONOMY

Since its emergence in the European debate in connection with the 2016 EU global strategy, the term "strategic autonomy" has undergone a fundamental evolution. What used to be a debate on the need for a self-sufficient EU, amidst a deteriorating European security environment and uncertain transatlantic defence ties, has transformed into a more holistic argument for an EU that has to pursue a distinct policy agenda on a variety of issues and against the backdrop of broader global transformations.

Two speeches exemplify the change of narrative that has characterized EU policymakers in recent years. When German Chancellor Angela Merkel famously proclaimed at a campaign style event in 2017 that "the era in which we could fully rely on others is over to some extent" and that "we Europeans truly have to take our fate into our own hands", she did this for the most part in the context of the growing uncertainties in the transatlantic relationship.[7] Just after a tense first NATO summit under US President Donald Trump's administration, she emphasized the need for growing cooperation amongst European governments in order to be prepared for a situation in which US support is missing.

In comparison, a recent speech by European Council President Charles Michel delivered a different and arguably more ambitious message. While he called European strategic autonomy "the number one goal for our generation", he did not mention the EU's dependencies on defence matters. Instead, he underlined the current

green and digital transformations and emphasized that EU efforts in advancing these policies are fuelled by a "unique set of European values".[8] This could be interpreted as a form of 'EU exceptionalism' based on the premise that Europeans have fundamentally different views on issues such as the regulation of carbon emissions or data privacy, and must charter their own course accordingly. This "Sinatra Doctrine", as EU High Representative Josep Borrell recently rebranded a familiar mantra,[9] claims that rather than being crushed between the competing visions of China and the US, Europe has to find its own path as a global actor.

## The conventional perspective of strategic autonomy

Table 1 summarizes the two perspectives of EU strategic autonomy. The conventional perspective is focused solely on questions regarding the EU's military capacity to defend itself or run expeditionary missions independent of US support. The international developments driving this debate are the long-term structural pivot of the US security focus since the end of the Cold War away from Europe and towards the Asian-Pacific region, and the resulting US pressure on European states to bear more responsibility for their own security, as well as the more recent uncertainties in the transatlantic relationship since the election of Donald Trump.[10]

Conventional strategic autonomy has been on the agenda since the 1990s. As early as 1998, the British-French St. Malo Declaration stated that the EU was in need of an autonomous military capacity that would help the Union in responding to crises in its neighbourhood. The discussion on conventional strategic autonomy is often linked to various industrial, operational or strategic capacities that need to be realized in order for the EU to reach its potential as a defence actor.[11] A key focus of the conventional discussion is the relationship between the EU and NATO, and whether strategic autonomy can be better achieved by enhancing the EU as a separate defence actor, or by strengthening the European pillar in NATO.[12]

7    Paravicini, Giulia (2017), Angela Merkel: Europe must take 'our fate' into own hands, *Politico*, May 28, https://www.politico.eu/.

8    Recovery Plan: Powering Europe's strategic autonomy – Speech by President Charles Michel at the Brussels Economic Forum, September 8, 2020, https://www.consilium.europa.eu/.

9    Borrell, Josep (2020), Europas "Sinatra-Doktrin", *Internationale Politik*, 16 September, https://internationalepolitik.de/.

10   Aggestam, Lisbeth & Hyde-Price, Adrian (2019), Double Trouble: Trump, Transatlantic Relations and European Strategic Autonomy, *Journal of Common Market Studies 57* (Annual Review), pp. 114 -127.

11   Kunz, Barbara & Kempin, Ronja (2017), France, Germany, and the Quest for European Strategic Autonomy: Franco-German Defence Cooperation in A New Era, *Notes du Cerfa*, No. 141, Ifri, https://www.ifri.org/.

12   Järvenpää, Major & Sakkov (2019); Howorth, Jolyon (2018), Strategic autonomy and EU-NATO cooperation: threat or opportunity for transatlantic defence relations?, *Journal of European Integration*, 40(5), 523-537.

| | Conventional perspective | Global perspective |
|---|---|---|
| Strategic autonomy for… | Security & Defence | Security & Defence, Trade & Industry, Digitalization, Climate, Health |
| Strategic autonomy from… | United States | United States, China, other emerging powers and economies |
| Strategic autonomy to… | Act militarily in Europe's neighbourhood, protect Europe | Promote European interests and values |
| Drivers | US structural pivot, transatlantic uncertainties | Rise of China and rivalry with US, technological change |
| Inter–organizational relations | NATO | NATO, UN, WTO |
| Alternative concepts | Strategic responsibility, ability to act | Open strategic autonomy (trade), European sovereignty (tech, industry) |
| Principal dividing lines | Threat perception & ties to the US | Political economy / Free market vs. state intervention |

Table 1. The EU's special abilities in mediation, and how to develop them for greater impact.

The term "strategic autonomy" caused some irritation across the Atlantic and was misperceived as a European attempt to decouple from the US on defence matters. In order to avoid unnecessary rifts, some European states such as Poland, but also Finland with its growing bilateral US defence ties, disliked the use of the term "autonomy".[13] Instead, it was suggested that the term "strategic responsibility" was more precise in capturing European efforts to assume additional obligations in securing their neighbourhood, without appearing to question international partnerships and alliances.[14] Germany emphasized the EU's "ability to act" during its 2020 EU Council presidency as a more neutral term to describe the joint decision-making capacities and means of action. EU member states' evaluation of conventional strategic autonomy depends to a large extent on their threat perceptions, as well as the significance of their relations with the US. Member states that perceive potential Russian aggression as more threatening than instabilities in the EU's southern neighbourhood, or that have close security and defence ties with the US, will be less supportive of conventional strategic autonomy. The emancipation from the US remains a politically sensitive issue.[15]

## The global perspective of strategic autonomy

The global interpretation of strategic autonomy has recently acquired more relevance amidst growing competition between the US and China, and the disruptions during the Covid-19 pandemic. The global interpretation is not limited to defence questions, but also considers the EU's capacities in realizing its trade and technological interests and values. The driver of the debate is not only the potential demise of the US as a security provider, but also the rise of and increasing dependencies on China, the EU's exposed position in the growing geo-economic competition between China and the US, as well as the shortcomings of the current multilateral international order in mitigating these tensions.[16] The global perspective of strategic autonomy is often focused on specific policy agendas that the EU is pursuing based to some extent on a distinct set of values and interests compared to other international actors, for example regarding climate change or digitalization. Conversely, Grevi has described strategic autonomy as "an essential enabler of Europe's shaping power".[17]

As the global framing of strategic autonomy also encompasses non-defence and security elements, NATO is not the central international framework under consideration in the debate. As Lippert et al. point out,

13  On national perspectives on strategic autonomy, see Franke, Ulrike & Varma, Tara (2018). Independence Play: Europe's pursuit of strategic autonomy, European Council on Foreign Relations, https://www.ecfr.eu; Liebek, Elina (2019), The European Union's quest for strategic autonomy: divergence of understandings across member states and its implications for cooperation, Tartu Ülikool, https://dspace.ut.ee/.

14  Brattberg & Valášek (2019), p. 17.

15  Fiott, Daniel (2018), Strategic autonomy: towards 'European sovereignty' in defence? European Union Institute for Security Studies, Brief 12/1018, https://www.iss.europa.eu/.

16  Bendiek, Annegret & Lippert, Barbara: Die Europäische Union im Spannungsfeld der sino-amerikanischen Rivalität. In Barbara Lippert, Volker Perthes (eds.), Strategische Rivalität zwischen USA und China, SWP-Studie 2020/S 01, February 2020, 50–55.

17  Grevi, Giovanni (2019), Strategic autonomy for European choices: The key to Europe's shaping power, Discussion Paper, European Policy Centre, https://www.epc.eu/.

"strategic autonomy also means making better use of Europe's potential within the UN system and other international organisations".[18] For example, a key question concerns the EU's ability to have more influence in multilateral fora, such as the UN Security Council. In recent years, the European Commission has focused on reforming the WTO to better meet the challenge of, for example, heightened US-China competition.

In order to capture the global and thematically more encompassing agenda of strategic autonomy, several alternative terms are employed in the current debate. When it comes to trade, representatives of the European Commission use the term "open strategic autonomy".[19] This is supposed to convey, on the one hand, that the EU will remain committed to the principles of free trade. On the other hand, the Commission underlines that it is intent upon protecting European values and interests more forcefully in the process, for example when it comes to European data protection standards in the area of digital services.

The term "European sovereignty" is also often used interchangeably when addressing the broader, global agenda of strategic autonomy. In particular, French President Emanuel Macron has been promoting the idea of a more sovereign Europe, able to "defend our values and interests".[20] As the French understanding of European sovereignty refers to a large extent to Europe's self-determination in a challenging international environment, it can be argued that it is not entirely different from strategic autonomy.[21] However, it should be noted that the German understanding of sovereignty is strongly influenced by constitutional theory and the delimitation of competences between Germany and the EU level.[22] The British thinking highlights the role of parliament and the people as the ultimate sovereign in the democratic process.[23] While the terms strategic autonomy and European sovereignty can be used interchangeably, one should be aware that they raise broader questions of internal and external legal authority and recognition, as well as political legitimacy in some parts of Europe.

As global strategic autonomy focuses on a policy agenda that goes beyond defence and security matters, threat perceptions and US ties are not the main dividing factor in the EU debate. The question that defines a member state evaluation of global strategic autonomy is linked to how it perceives the role of the state in managing the economy.[24] Member states with a political economy that highlights state interventions to protect and build up industries, such as France, tend to be more amicable towards a global understanding of strategic autonomy. Member states that embrace a free market and competition-based economic policies, such as Germany or the Nordic countries, will be less likely to favour overly protective or distorting measures in the pursuit of strategic autonomy.

The EU's self-conception is currently shifting from the conventional to the global understanding of strategic autonomy. This has both a positive and a negative effect. The positive effect is that the global narrative circumvents the conventional debate on strategic autonomy, which became mired in the question of the future relationship with the US and fear about the effects of a possible decoupling. In addition, the national sensitivities regarding security questions left few options for developing an ambitious EU agenda on defence matters, beyond initiatives such as the Permanent Structured Cooperation on defence (PESCO) or the European defence fund, which were already being implemented. In theory, the self-conception of the EU as a globally strategic autonomous actor is more positive and forward-looking, as it is often linked to issues where the EU could be more forceful in advancing what it perceives as its distinct interests or values.

However, the broad definition of strategic autonomy is also its main shortcoming. If strategic autonomy is applied to everything from artificial intelligence to the carbon border tax, it risks becoming a meaningless label. As such, it might be helpful as a justification device in the broader debate, yet it is too abstract to guide concrete policy discussions. In addition, on many issues, the EU's ability to shape the global agenda is reliant on close cooperation with partners and allies, and hence the Union is no better off when acting independently, which makes "autonomy" a confusing label for domestic and international audiences.

18  Lippert, Barbara, von Ondarza, Nicolai & Perthes, Volker (2019), European Strategic Autonomy: Actors, Issues, Conflicts of Interests, Stiftung Wissenschaft und Politik, Research Paper 4/19, p. 23, https://www.swp-berlin.org/.

19  Speech by Commissioner Phil Hogan at Launch of Public Consultation for EU Trade Policy Review – Hosted by EUI Florence, June 16, 2020, Florence, https://ec.europa.eu/.

20  Speech by French President Emmanuel Macron at the Sorbonne University, Paris, September 26, 2017, http://international.blogs.ouest-france.fr/archive/2017/09/29/macron-sorbonne-verbatim-europe-18583.html.

21  On the French debate, see Brustlein, Corentine (2018), European Strategic Autonomy: Balancing Ambition and Responsibility, French Institute of International Relations, Éditoriaux de l'Ifri, https://www.ifri.org/.

22  See for example, Sinn, Hans-Werner (2020), Germany's Constitution and European Sovereignty, May 15, Project Syndicate, https://www.project-syndicate.org/.

23  For a criticism of the lack of "popular sovereignty" in the European debate, see Kundnani, Hans (2020), Europe's Sovereignty Conundrum, Berlin Policy Journal, May 13, https://berlinpolicyjournal.com/.

24  Wigell, Mikael (2020), The emergence of strategic capitalism: Geoeconomics, corporate statecraft and the repurposing of the global economy, FIIA Working Paper 117, https://www.fiia.fi/.

## THREE DIMENSIONS FOR EVALUATING STRATEGIC AUTONOMY

What does it imply in practice if the EU becomes more strategically autonomous in a certain policy area? What kind of changes in the structure or policies of the EU would constitute a development towards a more autonomous EU? In order to approach these questions, this Working Paper unpacks the concept further and proposes three dimensions along which the EU's progress on strategic autonomy can be evaluated (Table 2): institutional, material and political autonomy. Each dimension entails a number of elements that frequently appear in the debate and literature, and that have an effect on the EU's capacity for autonomous action.

## Institutional autonomy

The EU's ability to further its own agenda as an international actor is traditionally linked to the features of its institutional structure and whether it facilitates member states' collective action. The discussion is often steered by three elements: decision-shaping and decision-making structures, policy-planning capacities, and transfer of competences to the EU level.

These three elements can clearly be seen in the conventional debate on EU strategic autonomy and the question of whether the EU should have its own military structures. A first step had been taken towards institutional autonomy with the creation of the CSDP in the late 1990s as a European security framework separate from NATO. In the years that followed,

| Institutional autonomy – Distinct structures and instruments for the planning and implementation of policies |
|---|
| **Elements:**<br><br>· **Decision-making structures:** The EU and its member states have structures in place that facilitate the shaping and taking of joint decisions.<br><br>· **Planning capacities:** The EU has capacities to facilitate the preparation of joint decisions and support member states in their implementation.<br><br>· **Power transfer:** The EU can enforce the implementation of decisions, for example through a transfer of competences or a sanctioning mechanism in the case of member states' non-compliance. |
| **Material autonomy – The technological, industrial and military capacity to independently implement decisions** |
| **Elements:**<br><br>· **Pooling and sharing:** Member states share or jointly use critical goods and capabilities (e.g. military) in the implementation of policies.<br><br>· **Capabilities and supply security:** The EU and member states ensure the availability of capabilities (e.g. military) and critical supplies needed to implement policies through joint procurement, diversification or stockpiling.<br><br>· **Domestic industries:** The EU and member states develop industries in strategic sectors through R&D efforts, financial incentives or regulatory measures |
| **Political autonomy – The ability to independently define common priorities and take decisions** |
| **Elements:**<br><br>· **Joint assessment:** Member states seek a common understanding of the challenges and options regarding a threat or international development.<br><br>· **Policy convergence:** Member states actively engage in a process of formulating a joint response (consultations, bargaining, leadership).<br><br>· **Strategic culture:** Member states can base their response on a common set of norms, strategic evaluations and behavioural patterns that facilitate joint action. |

Table 2. Elements of EU strategic autonomy

the EU created distinct structures in Brussels for the decision-making and monitoring tasks related to EU civilian and military missions, such as the Political and Security Committee or the EU Military Committee.

The second element, the question of whether the EU should also have appropriate resources in place in order to plan and implement military missions, was far more controversial. The longstanding discussion on whether to equip the EU with more potent planning and control structures similar to NATO has gained new momentum since the UK, a major opponent of further military integration outside of NATO, left the EU.[25] However, many member states still see enhanced EU military structures as an unnecessary duplication of NATO's capacities in the face of scarce resources. Even though member states decided to establish something akin to a military headquarters in 2017 (the Military Planning and Conduct Capability), it is only mandated for non-executive operations and thus limited to EU training missions. A more significant development is the creation of the Directorate-General for Defence Industry and Space (DEFIS) in the European Commission, which implements the European Defence Fund and encourages defence industrial innovation. Finally, the third element, a transfer of power to the EU level in defence matters, is not a realistic scenario by any means. As a result, bigger institutional autonomy steps on defence matters seem unlikely.

The EU's limited institutional autonomy on defence and security matters is also due to a general move away from formal cooperation frameworks. Informal formats and coalitions outside of the institutional frameworks of the EU or NATO have gained additional relevance. Military missions with European participation are often started in informal ad-hoc coalitions supported by NATO structures for planning and information sharing.[26] Diplomatic initiatives, for example the P5+1 nuclear non-proliferation negotiations with Iran, or the Normandy format in the Ukraine crisis – although often supported by EU structures – are not formal EU initiatives and include other international actors.[27] Lately, a debate on whether to establish a European Security Council, possibly outside the EU structures and including the UK, has gathered steam.[28] A state of complete institutional autonomy, in which member states exclusively act through EU structures, duly seems neither realistic nor desired and risks choking off any necessary flexibility.

The prospect of institutional autonomy seems much more positive with regard to some of the policies that are debated in the emerging, global understanding of strategic autonomy. The EU has exclusive competences to regulate the single market and negotiate international trade agreements, which gives the Union a strong institutional basis for setting international norms and standards based on its preferences.[29] The power to shape global norms is not only due to the size of the single market, but also rests on the EU's strong regulatory capacity – its expertise, resources and authority to set and enforce regulation.[30] As a result, it allows the EU to unilaterally "shape the global business environment, leading to a notable 'Europeanisation' of many aspects of global commerce".[31]

Lately, the institutional power of the EU has been further underlined with regard to the green and digital transformation. With the potential creation of a carbon adjustment tax as a part of the European Green Deal, the EU wants to ensure a level playing field with EU external competitors, despite more stringent environmental standards.[32] As a consequence, the EU's environmental standards will have repercussions in terms of its relationship with international partners. Conversely, with its digital agenda, the EU is in the process of setting new rules and regulations regarding the taxation of technology companies, or data privacy.[33] The EU's plans have already sparked tensions with the US, which fears a competitive disadvantage for its tech giants, such as Google, Facebook or Amazon.

The extent to which this institutional autonomy in the regulatory domain spills over to other aspects of external relations is debatable. For example, the EU member states had only limited success in devising an independent mechanism to facilitate trade with Iran that could circumvent US financial sanctions on Teheran.[34] The US dollar remains the dominant currency for international trade and the limited global role of the euro makes the EU dependent on the US in

25 Järvenpää, Major & Sakkov (2019).

26 Ibid.

27 Helwig, Niklas (2020), Germany in European Diplomacy: Minilateralism as a Tool for Leadership, *German Politics, 29*(1), 25–41.

28 Scazzieri, Luigi (2019), Towards a European Security Council?, Centre for European Reform, Insight, November 27, https://www.cer.eu/.

29 Damro, Chad (2012), Market power Europe, *Journal of European Public Policy, 19*(5), 682–699.

30 Bradford, Anu (2020), The Brussels Effect: How the European Union rules the world. Oxford: Oxford University Press, 30 ff.

31 Ibid., xiv.

32 Siddi, Marco (2020), The European Green Deal: Assessing its current state and future implementation, FIIA Working Paper 114, https://www.fiia.fi/.

33 https://ecipe.org/publications/europes-technology-sovereignty/.

34 Sinkkonen, Ville (2020), The United States in the Trump era. In Helwig, Niklas, Jokela, Juha & Portela, Clara (eds.). Sharpening EU sanctions policy: Challenges and responses in a geopolitical era, pp. 55–70, https://www.fiia.fi/.

the financial field.[35] While the EU has the power to set global norms, the hubs for research and innovation, particularly regarding the digital transformation, are mostly located in the US or China.

The factors outlined above suggest that the EU's institutional autonomy is strong in its core competences regarding trade relationships and regulation of the single market. In other areas, in which the EU shares competences with member states, the creation of institutional autonomy remains an open-ended and often incremental process. However, given the increasing importance of informal groupings in diplomacy and regarding military missions, as well as the need for cooperation with and within other frameworks, such as NATO, a lack of institutional autonomy might not necessarily be a shortcoming.

**Material autonomy**

Clearly, the extent to which the EU can act autonomously is also linked to material factors. At a minimum, member states can ensure their material autonomy through an enhanced sharing of goods and capabilities between them. Outside dependencies can be reduced through measures of supply diversification as well as stockpiling, or – when considering the defence dimension – enhanced capability investments. In the longer-term perspective, the strength of domestic industries is a decisive factor.

Material autonomy has long been a concern regarding Europe's ability to acquire strategic autonomy in the conventional sense. The lack of military capabilities has been a source of constant unease since European governments started to disinvest in their armed forces with the end of the Cold War. Only since the 2014 Ukraine crisis have EU member states and European NATO members started to turn the wheel around, pledging to invest up to 2% of their GDP in the military and slowly increasing cooperation for more efficient procurement and use of equipment. The efforts span all aspects of material autonomy, from an increase in research and development, and the support of defence industries, to the planning of joint capabilities within the PESCO framework.

The shortcomings in material autonomy have an internal and an external dimension. Internally, the fragmentation into national economies is preventing the EU from reaching its full industrial potential. The production and value chains of critical goods and military equipment are often defined by politics rather than efficiency or free market competition. This is particularly the case in the defence industry where "European governments still define defence-industrial autonomy in largely national rather than European terms".[36] Externally, the dependence on the US as a supplier of defence products is notable. This is due not only to technological or economic aspects, but is also linked to political considerations. European governments support their bilateral ties with the US by buying American defence products.[37]

When considering the global understanding of strategic autonomy that encompasses not only defence matters, but also Europe's self-sufficiency on a broader range of policies, the assessment of material autonomy is equally sober. Lately, the broader security and economic ramifications of external dependencies have surfaced with the Covid-19 crisis. The outbreak of the pandemic prompted governments around the world to secure pharmaceutical and protective supplies, such as face masks. Ninety per cent of active pharmaceutical ingredients used for generic drugs have to be imported from places such as China and India, prompting the European Commission to think of ways to partially reshore some pharmaceutical production.[38] In addition, supply chains in others industries, such as the automotive industry, were hit by disruptions.

Material autonomy is also an issue concerning the EU's policy agenda on digital transformation. Cloud computing is an example where Europe has been dependent on US digital giants Google, Amazon and Microsoft up to now. In 2020, Germany and France joined forces to launch an alternative European cloud computing consortium.[39] Other technological areas where Europe is playing catch-up are artificial intelligence, battery cell technology, or autonomous driving. The question is whether the EU will be able to shape the global agenda on technological issues, as it seems to aspire to a global interpretation of strategic autonomy, if the technological know-how and industry are located elsewhere.

35    Draghi, Mario (2019), Sovereignty in a globalised world. Speech by Mario Draghi, President of the ECB, on the award of Laurea honoris causa in law from Università degli Studi di Bologna, February 22, https://www.ecb.europa.eu/.

36    Fiott (2018), p. 4.

37    Kunz & Kempin (2017).

38    Brunsden, Jim & Peel, Michael (2020), Covid-19 exposes EU's reliance on drug imports, Financial Times, April 20, https://www.ft.com/.

39    Euractiv (2020), Altmaier charts Gaia-X as the beginning of a 'European data ecosystem', June 5, https://www.euractiv.com/.

## Political autonomy

The lack of political cohesion is often seen as one of the biggest obstacles to greater strategic autonomy for the EU. At a minimum, it seems clear that member states need to seek a joint assessment of the challenges and engage in a common policy response in order to act with a degree of independence. Beyond this, the development of a shared strategic culture, which allows member states to base their joint action on a set of shared beliefs and behavioural patterns, is widely considered an important prerequisite for strategic autonomy.[40]

It is fair to argue that member states often lack the political will for joint decision-making. This has limited the EU's strategic autonomy in the conventional sense on security and defence matters. The 2003 Iraq war and the 2011 Libya crisis are the most prominent examples in which the EU did not have the ability to develop a joint position. In the case of the Iraq war, member states were divided between those that supported the US intervention (mostly the UK and Central European member states) and those that opposed it (most notably Germany and France). The Libya crisis was not as divisive; however, a common European approach was absent when France and the UK decided on implementing a no-fly-zone, which relied heavily on US military support.[41] Germany got caught up in internal deliberations and political considerations and abstained from the authorizing UN resolution after the US administrations quickly decided to support military measures.[42] Both cases reminded Europeans that without a convergence of strategic cultures that facilitates immediate action, member states need time to arrive at a joint assessment and consensus. In turn, they became reliant on a fast- moving US position.

Positive examples exist as well. The EU sanctions regime against Russia following the illegal annexation of Crimea is a case in which a common threat assessment and Franco-German leadership helped the EU to achieve a certain degree of political autonomy.[43] The Iran nuclear talks were another example where close international cooperation allowed the EU to develop and push distinct priorities. Notably, these positive examples already date back several years. Since then, the more competitive international environment has somewhat overshadowed the EU's earlier successes in promoting its course on Ukraine or Iran.

The new, global version of strategic autonomy also risks being constrained by a lack of political cohesion. One issue concerns the EU's technological dependencies and the difficult process amongst member states of devising strategies to address them. A prominent question in recent years has been whether to allow the Chinese technology giant Huawei to partake in the 5G mobile network rollout in Europe over concerns about spying and technological dependence.[44] At least initially, EU member states' positions on regulating or banning Huawei from their networks were incoherent. While some states (e.g. Poland or the Netherlands) were inclined to restrict or partially ban the use of Chinese equipment, other countries, most notably Germany, considered various measures to manage the risks stemming from the Chinese equipment. Despite a significant push by the European Commission to define and monitor a joint approach, it remains an open question as to whether EU member states can reach a common threat assessment and regulate the use of the technology.[45]

It is also far from certain whether EU member states will find a common approach regarding trade and industry aspects of EU strategic autonomy. The Covid-19 crisis and the growing competition between the US and China have raised the awareness of EU policymakers with regard to increasing their efforts in reforming the WTO and in protecting strategic industries.[46] However, the discussion on the right balance between a more protective trade and industrial policy approach on the one side, and a free-trade and competition-based economic philosophy on the other, has only just started. While countries such as France, Italy, Romania and Hungary tend to support a more protective line, the Nordic and Baltic countries benefit from free global trade and competition within the single market.

40  Cornish, Paul, Edwards, Geoffrey (2005), The strategic culture of the European Union: a progress report, *International Affairs 81*(4), 801–820.

41  Koenig, Nicole (2011), The EU and the Libyan Crisis – In Quest of Coherence?, *The International Spectator*, *46*(4), 11–30.

42  Brockmeier, Sarah (2013), Germany and the Intervention in Libya, *Survival* 55(6), 63-90.

43  Aggestam, Lisbeth & Hyde-Price, Adrian (2020), Learning to Lead? Germany and the Leadership Paradox in EU Foreign Policy, *German Politics 29*(1), 8–24.

44  Rühlig, Tim & Björk, Maja (2020), What to Make of the Huawei Debate? 5G Network Security and Technology Dependency in Europe, the Swedish Institute of International Affairs, UI paper 1/2020, https://www.ui.se/.

45  Oertel, Janka (2020), On 5G, Brussels is up to the job, European Council of Foreign Relations, Commentary, February 3, https://www.ecfr.eu/.

46  Leonard et al. (2020), Redefining Europe's economic sovereignty, Bruegel, https://www.bruegel.org/.

## CONCLUSIONS

The analysis suggests that there is currently more than one meaning of EU strategic autonomy circulating in the debate. The conventional meaning, which emerged with the EU global strategy and received heightened relevance after the election of Donald Trump, focused on the EU as an autonomous security and defence actor. The conventional interpretation has slowly made way for a global perspective on strategic autonomy. This concept paints a picture of an EU with distinct interests and norms and the need to create capabilities to pursue those globally and across several policy areas.

Recognizing this fundamentally different interpretation of strategic autonomy is the first step in analyzing whether the EU stands a chance of reaching its proclaimed objectives. This analysis suggests that the pursuit of "conventional strategic autonomy" has improved in recent years, but has likely plateaued in its development for now. Further moves towards more institutional autonomy on defence would raise sensitive issues of institutional duplication with NATO and sovereignty concerns among member states. The new initiatives for greater cooperation on defence capabilities as well as investments in the research and development of military technologies will need time to generate results. One of the biggest "bottlenecks" as far as an increase in conventional strategic autonomy is concerned relates to the political capacity of EU member states to generate joint policy responses. In this regard, it will be interesting to follow whether the French-led European Intervention Initiative and the Franco-German initiative to formulate a "strategic compass", which aim to increase the strategic thinking and common threat evaluation at a European level, will generate positive results.

At first sight, the prospect in some areas of "global strategic autonomy" appears more promising. Institutionally, the EU has exclusive competences regarding the regulation of the internal market and external representation on trade questions. It starts from a quite powerful position in shaping the global agenda on a range of issues, such as multilateral trade or climate change.

However, the EU's global ambitions are also facing sizeable challenges. The fact that the EU lags behind in the development of important technologies, such as cloud computing or artificial intelligence, might increase its external dependence on the US and China in the future. In turn, these external dependencies might limit the EU's ability to shape international policies on issues where it is perceived to have distinct values and interests, for example regarding data privacy.

One of the key questions, however, concerns the EU's political capacity to sustain its new and global agenda on strategic autonomy. While the European Commission has vowed to become a geopolitical actor and take the international political challenges of its economic policies seriously, this will require a change of strategic mindset for the large bureaucracy, which was traditionally intended as a non-political guardian of the treaties and implementer of a free trade and competition agenda. It will also require an adjustment in member state capitals, where issues of industrial policy or regulation are traditionally not seen through the lens of geopolitical competition.

In consequence, the EU can only reach strategic autonomy on a global scale if European member states increase their efforts in harmonizing their strategic cultures. Currently, member states' perspectives on the main challenges and threats, as well as their strategies to address them, still diverge. This in turn inhibits or prevents a joint response to international developments. Member states need to reach a shared understanding of the EU's new strategic position in an international environment defined by growing US-China competition and misuse of economic interdependencies for geostrategic ends. This might help them in the difficult task of striking the right balance between self-sufficiency and dependence on defence matters, as well as between interventionism and liberalism on trade and industry questions. In short, the success of EU strategic autonomy will not be determined by the level of its autonomy, but by the EU's ability to be strategic about its interdependencies. /

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