



SECURITY POLICY BRIEF

How the Strategic Compass can incubate a European prototype for burden sharing

Tania Latici

Much ink has been spilled calling upon Europeans to do more for their defence in the context of the transatlantic relationship. “Everybody talks about the weather but nobody does anything about it”: it used to be a fitting expression for this conundrum – no more.

The Strategic Compass process is an opportunity not only to decide what umbrellas to buy but when, how, and where to use them to protect against rain, hail, snow and even sunburn. There is a dissonance, however, between the political rhetoric about a *complex* and *unpredictable* security environment requiring a 360° defence and deterrence and the practice of measuring defence and deterrence.

There is also a dissonance between advocates for a clear focus on NATO’s core business of territorial defence or for a more comprehensive Alliance contribution to security. This brief makes an argument firmly in favour of the latter with a focus on Europe’s contribution. It argues that the Strategic Compass process can be an incubator for a credible European prototype for burden sharing.

IF NOT NOW, WHEN?

Europeans are binding themselves in common defence structures, they co-finance defence projects, and objectively assess their shared strategic environment. Since autumn 2020, they began debating the threats up to the 2030s with the intention of orientating themselves in a more troubled strategic environment.

The EU and its Member States are feeling the spotlight moving away from the old continent and towards the new geopolitical epicentre in the Indo-Pacific, while to Europe’s East and South trouble still reigns. Yet the circumstances could not be more favourable: EU defence initiatives are seeing implementation; the White House hosts a friendly pro-European president; NATO is in reflection mode; and Covid-19 has enlarged politicians’ grasp of the EU’s added value in providing security – be it for strategic or purely economic reasons.

Henry Kissinger quotes President Nixon as regularly saying: “You pay the same price for doing something halfway as for doing it completely. So you might as well do it completely.”²¹ The Strategic Compass would only be complete if its findings make its way beyond the courageous realm of policy debates and into the

treacherous one of policy results. The most tangible contribution it could bring is a solid European prototype for burden (or indeed, security) sharing that marries both the EU's and NATO's 2030 needs.

The policy fringe that used to criticise NATO's 2% defence spending metric has come closer to the mainstream. So much so that Secretary of State Antony Blinken himself [spoke](#) of “the need to adopt a more holistic view of burden sharing”, recognising that “no single number fully captures a country's contribution to defending our collective security and interests”. (I will immodestly assume that he read the NATO 2030 Young Leaders [report](#) before his first visit to NATO and Brussels, in which my colleagues and I advocate a rethinking of burden sharing). Annalena Baerbock, Green Party candidate for German chancellor, equally [doubts](#) that the 2% is still the state of the art, proposing instead a focus “on what kind of capacity can Europe bring”.

Besides being easy to communicate publicly and politically, the 2% metric does not offer much more. As I have argued [before](#), the 2% of GDP goal measures quantity over quality, and fails to account for economic downturns, i.e. a post-pandemic economic slump that pushes the percentage up by default. Other [analyses](#) published by Egmont have pointed out how this metric might not even be in NATO's interest since its simplicity disables any assessment of whether “military spending is actually directed at NATO objectives”. That is the case of US spending to advance its global, not only its transatlantic, interests. Even the UK did its own share of “creative defence accounting” to embellish its defence spending.² [SIPRI](#) – one of the main references for defence economics – also notes that in 2020 global military spending as a share of the GDP increased even though global GDP shrank by 4.4%.

Being mindful of the NATO angle is essential for the legacy of the Strategic Compass. Because of the strict intergovernmental character of security and defence

policy at the EU level and the mostly non-binding character of recent defence initiatives, the targets they set are [barely reflected](#) in Member States' national defence planning. Instead, the manual of 21 EU Members is the NATO Defence Planning Process (NDPP). This is precisely why Strategic Compass architects should hold Secretary General Stoltenberg to his word and deepen EU-NATO cooperation, closely coordinating the new NATO Strategic Concept and NDPP political guidance that are in the works. For the Compass to leave a legacy that defence planners can implement, a synchronised dance between the two is necessary. The EU should be proactive in engaging NATO if it wants to seize the opportunity to redefine burden sharing in a way that better reflects European contributions and priorities. The June 2021 NATO and EU-US summits would be good occasions to put on the dancing shoes.

FROM FREE-RIDING TO CO-PILOTING

Secretary Blinken reasonably [argued](#) that when more of the burden is shouldered by allies, “a fair say in making decisions” will follow. If European strategic autonomy is about more self-reliance and independent action, then the Compass should be strategic in more than name. It should be used to fertilise the European pillar in NATO by gathering not only countries with double membership, but also non-Allied EU Member States (who mostly are close partners of the Alliance), as well as by consulting with allies such as Norway and, most particularly, the UK. If they are to respond to the needs of the security environment, Europeans should be capable not only of more robust (including high-risk) crisis management in the neighbourhood but also of freedom of navigation operations (as per the Indo-Pacific strategy) and of better supporting NATO's territorial defence. A new metric should be more operational and strike a balance “between security and defence, people protection and power projection”, harmonising national and human security.²

An alternative prototype to burden sharing is not a way to spend less and “free ride”. It is recognising the need to spend better. This trend is not solely European, but is

visible across the Western alliance. Japanese officials fret about the “[narrow](#)” thinking in defence burden sharing, arguing instead for options which better account for Tokyo’s diverse regional contributions to defence and deterrence. Even the Biden administration’s *Interim National Security Strategic Guidance* recognises that domestic and external circumstances force the US to adopt a more expansive view of national security, balancing traditional and formerly non-traditional security challenges. The Biden administration has extended a hand to redefine burden sharing and Europeans should grab it.

EU Member States spend around €190 billion on defence annually. But the EU’s wider contribution to Euro-Atlantic peace and security is much larger. The EU’s budget for 2021-2027 provides around €110 billion for [external policy](#), defence research and development and military mobility, plus an additional €5 billion for the European Peace Facility (to finance military operations and capacity-building, including military assistance).

This amount includes a mammoth *Neighbourhood, Development and International Cooperation Instrument*, expenses under the Common Foreign and Security Policy, such as for civilian missions, and the European Defence Fund. These will altogether address issues ranging from stabilisation and conflict prevention to defence technologies and crisis response. The sum becomes even higher if one includes internal security, cyber and hybrid threats, as well as dual-use tech and space investments. In a context where Washington is reviewing its global force posture, [expected](#) to focus on the Indo-Pacific and China, and is withdrawing from Afghanistan, aren’t these contributions precisely what our neighbourhood needs?

A closer look at the tally of contributions should give EU Members confidence in the self-standing of the Union and decrease their hesitation to upset Washington by tampering with the status quo. Washington itself is tampering with the status quo. This will not make for an easy debate, since the subject is divisive, but here too Secretary Blinken, in the same speech, invited allies “to have these tough conversations – and even to disagree”.

A NEW STATUS QUO IS NOT A BAD THING

As the Strategic Compass and the NATO 2030 process have brought political leaders to the heart of an agora on policy ideas, Europeans should use this as an opportunity to design a modern metric. This goes hand in hand with the Compass’ objective of overcoming the agony over defining the meaning of strategic autonomy and of adapting the EU’s level of ambition. It can sandbox debates on security and non-security contributions and on the potential of countries specialising in diverse defence niches. The Compass could even provide the necessary vision for putting together the EU defence puzzle (including new ideas about [rapid entry forces](#)) into [EUFOR CROC](#) – the PESCO project with the potential of shaping EU crisis management.

Putting a prototype on the table could lay concrete groundwork for EU-NATO discussions about a division of labour (about which the Egmont Institute does not run short on proposals),⁴ it would demonstrate Europe’s seriousness, and would win points with NATO, provided they are consulted transparently. On the one hand, this would give the European pillar of NATO a chance to show its real contribution to transatlantic security. On the other, it would also give NATO a chance to identify ways in which it can provide its one-of-a-kind contribution to debates ranging from resilience and geoeconomics to climate change and crisis management, which is it very [eager](#) to do.

This course of action would amount to a win-win. It is in NATO’s interest to be at this table while it works to identify its own future role, balancing non-traditional security with its core territorial defence tasks. Likewise, it is also in the EU’s interest for NATO to be on board to ensure that national defence planners receive the same instructions from both organisations, instead of contradictory standards, criteria and, sometimes, priorities. This would help transatlantic allies to better define their respective roles across the crisis spectrum.

Until now, the way that many in NATO and the US look at European defence efforts is best captured by the [old joke](#) that pictures two people in a restaurant. “Boy, the food at this place is really terrible”, says one. “Yeah, I know, and such small portions!”, replies the other.

With an administration in the White House that (so far) has not demanded burden sharing with one hand and rejected EU defence efforts with the other, the Strategic Compass can leave behind a legacy that is not limited to academic references but that sets the tone for a modern and balanced transatlantic alliance in 2030. It can result in a concrete blueprint to maximise the EU’s civilian and military assets in complementarity with NATO and could therefore guide Europeans to realise that not only in trade, climate, and data protection, but in defence too, they can be a global player, if they took the leap to do so.

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ENDNOTES

¹ Henry Kissinger, *On China*, Penguin Books, 2011, p 215.

² John R. Allen, Ben Hodges, and Julian Lindley-French, *Future War and the Defence of Europe*, Oxford University Press, 2021, p. 61.

³ *Idem*, pp. 39 and 51.

⁴ See Sven Biscop, [EU and NATO Strategy: A Compass, a Concept, and a Concordat](#), Egmont Institute, March 2021; and Thierry Tardy, [For a New NATO-EU Bargain](#), February 2021.