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(Second Part)

A European defence policy

REPORT

submitted on behalf of the Defence Committee
by Mr. Baumel, Chairman and Rapporteur

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1. Adopted unanimously by the committee.

2. Members of the committee: Mr. *Baumel* (Chairman); Mr. De Decker, Mrs. *Baarveld-Schlaman* (Vice-Chairmen); MM. Alloncle, Bianchi, *Borderas*, Briane, Brito, *Cox*, Dees, Dolazza, Dumont, *Fernandes Marques*, *Hardy*, Irmer, Jacquat, Kelchtermans, La Russa, Mrs. Lentz-Cornette, Mr. Marten, Lord Newall, MM. Parisi, Pécriaux, Petruccioli, Reis Leite, Scheer, Sir Dudley Smith, Mr. Sole Tura (Alternate: *Cuco*), Mrs. Soutendijk van Appeldoorn, *Sir Keith Speed*, MM. Steiner, Lopez Valdivielso (Alternate: *Lopez Henares*), Vazquez (Alternate: *Bolinaga*), Zierer.

N.B. *The names of those taking part in the vote are printed in italics.*

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Draft Recommendation
on a European defence policy

The Assembly,

- (i) Welcoming the Council's initiative in starting to formulate a common European defence policy as announced in the declaration on Western European Union attached to the Maastricht Treaty;
- (ii) Having taken note of both the Noordwijk declaration and the preliminary conclusions on the formulation of a common European defence policy of 14th November 1994;
- (iii) Noting that WEU's inability to react quickly to crisis situations as in Bosnia or Rwanda is due not only to a lack of political will, but also to the fact that joint European interests have not yet been identified clearly enough and that mechanisms for making and implementing decisions rapidly have not yet been developed;
- (iv) Stressing that the operational rôle of WEU urgently needs to be strengthened in order to match the ambitions set out in the Maastricht Treaty and repeatedly expressed by the Council, while recognising that the lack of progress in developing WEU's operational rôle is due partly to the lack of political guidance from a common European defence policy on which it should be based;
- (v) Stressing that the transformation of NATO, and especially the implementation of decisions taken at NATO's 1994 Brussels summit meeting, is of vital importance for the reinforcement of WEU;
- (vi) Recognising that WEU's reinforcement must be founded partly in NATO and not replace a failing NATO;
- (vii) Surprised that the reinforcement of the European pillar of NATO is accompanied by a reduction in WEU member states' share of defence expenditures in the Atlantic Alliance;
- (viii) Recalling that the possibility of making NATO's collective assets available to WEU cannot relieve European states of their obligation to make a specific effort in those key defence areas where the alliance has no collective assets while being dependent on the national assets of the United States, specifically in the area of satellite intelligence and logistic capacity;
- (ix) Recalling that the massive airlift capacity now available in the United States armed forces inventory may considerably diminish in size by the turn of this century, making it necessary for European armed forces to assume their own responsibility in this field;
- (x) Recognising that European armed forces are increasingly called upon to perform humanitarian and peace-keeping tasks while at the same time defence budgets are being reduced in most European states, perhaps even in some cases below a level compatible with the maintenance of credible armed forces;
- (xi) Insisting that co-operation between European national armed forces must be intensified, also through the formation of multinational forces, in order to make the most effective use of diminishing defence budgets and smaller armed forces;
- (xii) Noting that the status of associate partner has provided significant opportunities for the countries concerned to help shape a future European defence policy and to co-operate closely with WEU in possible future WEU operations of all kinds;
- (xiii) Welcoming the first meetings of WEU's Mediterranean Group with government experts from Algeria, Egypt, Mauritania, Morocco and Tunisia, but at the same time stressing that WEU should pay closer attention to the situation in the southern Mediterranean extending beyond the present diplomatic dialogue;
- (xiv) Recognising that the situation in the former republics of the Soviet Union, in particular Russia, should be continuously followed by WEU, inter alia through regular contacts at both political and military level with the objective of fostering mutual confidence and understanding;
- (xv) Considering that lifting the arms embargo against Bosnia would be an incentive for the parties concerned to escalate the conflict, further endanger the civilian population and cause unacceptable risks for the United Nations forces on the ground;

(xvi) Regretting the decision of the United States Government, taken unilaterally and without appropriate prior consultation with the other states participating in the combined WEU/NATO operation Sharp Guard in the Adriatic, to stop policing the United Nations arms embargo against Bosnia;

(xvii) Stressing that the October 1994 crisis in Iraq and the decision of the United States to stop policing the arms embargo against Bosnia in the framework of operation Sharp Guard have provided compelling evidence that Europe needs to have its own independent intelligence policy, including a fully-fledged satellite system,

RECOMMENDS THAT THE COUNCIL

1. Strengthen the rôle of the Secretary-General, while at the same time defining clearly WEU's responsibilities compared with those of the European Union and NATO;
2. Reinforce the operational rôle of the Planning Cell, duly enlarging its staff and providing it with the appropriate equipment and technical resources for data processing and communications;
3. Give liaison officers from associate partners a more active rôle in the Planning Cell, in particular by drafting a list of forces of associate partners available to WEU and by including units from these countries in force packages for contingency plans;
4. Actively support the creation of a multinational African peace-keeping force which should be able to act rapidly under a United Nations mandate, by encouraging WEU member states to preposition equipment on the African continent and to take responsibility to train African units for such tasks;
5. Help in creating a readily available multinational European humanitarian intervention force to be included among the forces answerable to WEU;
6. Give further thought to a common security and defence policy, leading subsequently to the drafting of a white paper on European security as proposed by the French Prime Minister specifying the rôle, tasks, joint command structures and political/military interface procedures of WEU for approval at a summit meeting of heads of state and of government of WEU member states in 1996 at the latest;
7. Accelerate the creation of a European armaments agency to manage multinational co-operative programmes, drawing on experience gained from the Franco-German armaments agency now being established;
8. Continue to pursue actively the establishment of a European satellite system which will be a vital part of Europe's defence identity;
9. Notwithstanding the United States unilateral decision to end enforcement of the United Nations arms embargo against Bosnia, maintain its determination to continue to implement fully the enforcement of all existing embargoes against the different parts of former Yugoslavia, including the arms embargo against Bosnia.

Explanatory Memorandum

(submitted by Mr. Baumel, Rapporteur)

I. Introduction

1. In the Kirchberg declaration of 24th May 1994, the WEU Council tasked the Permanent Council "to begin work on the formulation of a common European defence policy with a view to presenting preliminary conclusions at their next ministerial meeting in the Netherlands".
2. The Assembly greatly welcomed this initiative and expressed its wish to play an active rôle in the formation of this common European defence policy. It is recalled here that in Article J4 of the Treaty on European Union the Union requested WEU, as an integral part of the development of the Union, "to elaborate and implement decisions and actions of the Union which have defence implications".
3. In the declaration on Western European Union which is attached to the Treaty on European Union, the WEU member states agreed "to strengthen the rôle of WEU in the longer term perspective of a common defence policy within the European Union which might in time lead to a common defence, compatible with that of the Atlantic Alliance". They also stated that WEU would "formulate a common European defence policy and carry forward its concrete implementation through the further development of its own operational rôle".
4. According to the last paragraph of the abovementioned Article J4, the provisions of this article "may be revised (...) on the basis of a report to be presented in 1996 by the Council to the European Council, which shall include an evaluation of the progress made and the experience gained until then".
5. After the signing of the Maastricht Treaty in February 1992, WEU started to implement the abovementioned declaration on WEU and an important first step was made with the Petersberg declaration of 19th June 1992, which in particular laid the foundations for the strengthening of WEU's operational rôle. It appears, however, that the member states were far more reluctant to formulate a common European defence policy which logically should have preceded the future development of WEU's operational rôle. The timely initiative of the Council to start work on this issue is therefore fully endorsed by the Assembly and in the present report an effort is made to discuss a number of issues which are bound to play a rôle in Europe's common defence policy.
6. The transformation of NATO, set in motion after the fall of the Berlin wall, is considered to be of vital importance. In addition to providing more flexible forces for many new and different tasks, it also envisages including the states of Central and Eastern Europe in a process of building security in an area which extends far beyond that covered by the terms of the North Atlantic Treaty. Moreover, it is emphasised that, without the transformation of NATO, WEU will not be able to play a significant operational rôle. Prospects for the CSCE as an all-encompassing European security forum are reviewed. For a discussion of the issues related to the enlargement of NATO and WEU, reference is made to a parallel report of the Assembly's Political Committee¹.
7. The present state of affairs in Russia, in particular as related to defence issues and the specific position of the Baltic states, is discussed succinctly. Then follows the inevitable inventory of major risks and threats to European security.
8. Finally, an account is given of developments in WEU and its member states.

II. The transformation of NATO

(a) The early phase

9. After the collapse of the Berlin wall, the Atlantic Alliance understood that it had to transform itself from a purely defensive organisation, created to protect its members against a massive attack from the East, into something quite different.
10. The foundations for this transformation were formulated in the London declaration of 5th and 6th July 1990. While maintaining the original objective of providing common defence, it was thought that the alliance should also help build structures of a more united European continent, "supporting security and stability with the strength of our shared faith in democracy, the right of the individual, and the peaceful resolution of disputes"².
11. Reaffirming that security and stability do not lie solely in the military dimension, it sought

1. A European security policy – report submitted by Mr. Soell, Rapporteur, Document 1439.

2. NATO's London declaration, 5th and 6th July 1990, paragraph 2.

to enhance the political component of the alliance as provided for by Article 2 of the North Atlantic Treaty. It recognised that: "The move within the European Community towards political union, including the development of a European identity in the domain of security, will also contribute to Atlantic solidarity and to the establishment of a just and lasting order of peace throughout the whole of Europe³".

12. It was decided that NATO should build new partnerships with all the nations of Europe and extend the hand of friendship to the countries of the East which were its adversaries.

13. Arms control agreements were considered essential and, with their implementation, the alliance's integrated force structure and its strategy would change fundamentally to include the following elements:⁴

- "NATO will field smaller and restructured active forces. These forces will be highly mobile and versatile so that allied leaders will have maximum flexibility in deciding how to respond to a crisis. It will rely increasingly on multinational corps made up of national units.
- NATO will scale back the readiness of its active units, reducing training requirements and the number of exercises.
- NATO will rely more heavily on the ability to build up large forces if and when they might be needed."

14. Important decisions were also taken to reduce the alliance's reliance on nuclear weapons⁴.

15. Finally, it was stated that the Conference on Security and Co-operation in Europe (CSCE) should become more prominent in Europe. A number of recommendations regarding the rôle and institutionalisation of the CSCE were made, which were formalised at the CSCE summit meeting in Paris, in November 1990.

16. A new allied military strategy would be prepared "moving away from forward defence, where appropriate, towards a reduced forward presence and modifying flexible response to reflect a reduced reliance on nuclear weapons"⁶.

3. NATO's London declaration, 5th and 6th July 1990, paragraph 3.

4. NATO's London declaration, 5th and 6th July 1990, paragraph 14.

5. This subject has been dealt with in a recent Assembly report: The rôle and future of nuclear weapons, Rapporteur Mr. De Decker, Document 1420.

6. NATO's London declaration, 5th and 6th July 1990, paragraph 20.

Copenhagen meeting, June 1991

17. One year later, the North Atlantic Council met in Copenhagen on 6th and 7th June 1991 providing an opportunity for a first evaluation of a changed security environment in Europe. Although the general feeling could still be called optimistic, it was clear that the first lines of division in the "Europe whole and free" of the London declaration became visible. Certain Central European states were seeking to establish a close relationship with, if not membership of, NATO. These states were still feeling uncomfortable with the Soviet Union at their eastern frontiers and were trying to obtain formal security guarantees from the alliance. For a number of reasons, the alliance was reluctant to provide NATO membership or security guarantees and in Copenhagen it could only state that "our own security is inseparably linked to that of all other states in Europe."

18. It further stated that: "The consolidation and preservation throughout the continent of democratic societies and their freedom from any form of coercion or intimidation are therefore of direct and material concern to us, as they are to all other CSCE states under the commitments of the Helsinki Final Act and the Charter of Paris."

19. Common security, it said, could best be safeguarded through "the further development of a network of interlocking institutions and relationships, constituting a comprehensive architecture in which the alliance, the process of European integration and the CSCE are key elements."

20. Furthermore, it stated that it did not "wish to isolate any country, nor to see a new division of the continent. Our objective is to help create a Europe whole and free"⁷.

21. The alliance strongly emphasised the central rôle of the CSCE "in expanding the network of co-operative relationships across Europe". In particular, it would try "to reinforce the CSCE's potential for conflict-prevention, crisis-management and the peaceful settlement of disputes by appropriate means".

22. Further steps were also taken to develop a security partnership with the Soviet Union and the other Central and Eastern European states.

23. As regards the emerging common European foreign and security policy and defence rôle, the final communiqué of the North Atlantic Council in Copenhagen stated that the alliance would "develop practical arrangements to ensure the necessary transparency and complementarity between the European security and defence identity as it emerges in the Twelve and WEU, and the alliance. There will be a need, in particular, to establish

7. Statement issued by the North Atlantic Council on 6th and 7th June 1991, paragraph 3.

appropriate links and consultation procedures between them in order to ensure that the allies that are not currently participating in the development of a European identity in foreign and security policy and defence should be adequately involved in decisions that may affect their security”⁸.

24. In fact, this paragraph reflects the clear determination of the Bush administration to maintain its influence on new developments in the establishment of a European defence identity.

Rome declaration, November 1991

25. In the Rome declaration, issued by the heads of state and of government on 7th and 8th November 1991, the concept of a framework of interlocking institutions tying together the countries of Europe and North America in order to prevent instability and divisions was confirmed. A new strategic concept was published along the lines set out in the London declaration and it was stated that the alliance’s security was “based on three mutually reinforcing elements: dialogue, co-operation, and the maintenance of a collective defence capability”⁹.

26. The declaration stated that “the development of a European security identity and defence rôle, reflected in the further strengthening of the European pillar within the alliance, will reinforce the integrity and effectiveness of the Atlantic Alliance”¹⁰.

27. The enhancement of the rôle and responsibilities of the European members was called “an important basis for the transformation of the alliance”. On the other hand, it was stated that the alliance was “the essential forum for consultation among its members”.

28. Further, it was stated that the alliance’s new strategic concept “should facilitate the necessary complementarity between the alliance and the emerging defence component of the European integration process”¹¹.

29. As a next step in the alliance’s relations with the Soviet Union and the other countries of Central and Eastern Europe, the alliance announced the establishment of a more institutional relationship of consultation and co-operation on political and security issues in the framework of a North Atlantic Co-operation Council.

8. Final communiqué of the North Atlantic Council, 6th and 7th June 1991, paragraph 3.

9. Rome declaration, 7th and 8th November 1991, paragraph 4.

10. Rome declaration, 7th and 8th November 1991, paragraph 6.

11. Rome declaration, 7th and 8th November 1991, paragraph 7.

30. Finally, the alliance was said to remain deeply committed to strengthening the CSCE process “which has a vital rôle to play in promoting stability and democracy in Europe”¹². It made many suggestions to enhance the CSCE’s rôle.

(b) NATO’s cooperation programmes: NACC, PFP and the issue of enlargement

31. Implementing NATO’s November 1991 summit meeting in Rome, the North Atlantic Co-operation Council (NACC) was created in December 1991 assembling the NATO member states, the countries of Central and Eastern Europe and the now independent republics of the former Soviet Union. NACC, with its annual work plans, provides the allies with an excellent opportunity to give support for reforms through practical assistance in a broad range of activities while building confidence through increased contacts. The annual work plans include consultations on security-related matters and extensive military contacts.

32. Very soon, however, experience showed that these activities had given rise to a dynamic process which obliged NATO to move faster than initially thought. There was also a need for more flexibility in the co-operation process which would enable programmes to be set up that were adapted to the individual needs and wishes of the different participants without giving up NACC’s general co-operation programme.

33. The Brussels summit meeting of January 1994 therefore created the partnership for peace (PFP) with significantly different scope and intensity, while remaining within the overall framework of NACC.

34. According to its framework document, the objectives of the PFP are:

- (i) to facilitate transparency in national defence planning and budgeting processes;
- (ii) to ensure democratic control of defence forces;
- (iii) to maintain the capability and readiness to contribute, subject to constitutional considerations, to operations under the authority of the United Nations and/or the responsibility of the CSCE;
- (iv) to develop co-operative military relations with NATO, for the purpose of joint planning, training, and exercises¹³

12. Rome declaration, 7th and 8th November 1991, paragraph 13.

13. The first exercises of this kind have meanwhile been held in Poland and the Netherlands.

in order to strengthen their ability to undertake missions in the fields of peace-keeping, search and rescue, humanitarian operations, and others as may subsequently be agreed; and

- (v) to develop, over the longer term, forces that are better able to operate with those of the members of the North Atlantic Alliance.

35. Slightly different from the NACC, the PFP has been designed to provide the partners with an opportunity to develop progressively closer relations with the alliance on the basis of their own interest and actual performance.

36. It is also noted that, although the PFP does not provide the formal security guarantee of Article 5 of the Washington Treaty, the framework document contains an article similar to Article 4 providing for a commitment to consult with any active participant if a partner perceives a threat to its territorial integrity, political independence or security.

37. In order to carry out the military co-ordination and planning needed for the implementation of PFP programmes, a Co-ordination Cell has been established at Mons, near SHAPE, where representatives of the participating countries are now taking office. Liaison offices for NACC/PFP partners are being established in permanent facilities at NATO's headquarters in Brussels.

38. The framework document, which is a public text, common to all partners and setting out the objectives of the programme, has at present (October 1994) been signed by 23 countries. Of these, 14 partners have submitted their presentation document which addresses the political and military aspects of the partnership, provides an indication of the co-operative activities and indicates military forces and other assets available for PFP activities. With four partners, an individual partnership programme has been developed.

39. A Political Military Steering Committee (PMSC) has been established to facilitate the implementation and, if need be, co-ordination of the different individual programmes.

40. The PFP could eventually lead to membership for some partner states although it is emphasised that this is not an automatic consequence of a country's decision to participate. Implementation of the PFP has only just begun and NATO and its partners should allow time to bring it to fruition. While emphasising that a future enlargement of the organisation to include Central and Eastern European countries is not excluded, most NATO member states think that it would be premature to set a timetable for this process. Enlargement, it is said, will have to be co-ordinated with Russia and it should be done only if it improved stability in

Europe. It is also noted that at present any decision to enlarge would, for a number of reasons, involve a choice to include some nations, excluding others. Ratification of a limited enlargement by the 16 member states might not be a smooth and swift process and there might even be divisions between members over the fundamental issues at stake. A premature discussion of enlargement issues might also lead to divisive debates over the rôle of Russia and its thoughts and ambitions and jeopardise a difficult but very important and precious process of co-operation with Russia.

(c) Combined joint task forces and the transformation of NATO

41. A major step forward on the road towards the creation of operational capabilities for WEU was taken at the NATO summit meeting in Brussels on 10th-11th January 1994.

42. At this summit meeting, it was decided that the alliance's organisation and resources would be adjusted so as to facilitate the development of WEU as the defence component of the European Union. It was also stated that the alliance stood ready to make collective assets available, on the basis of consultations in the North Atlantic Council, for WEU operations.

43. In their declaration, the heads of state and of government further said: " We also will need to strengthen the European pillar of the alliance by facilitating the use of our military capabilities for NATO and European/WEU operations... " To improve, among other things co-operation with WEU and to reflect the emerging European security and defence identity, they endorsed " the concept of combined joint task forces as a means to facilitate contingency operations, including operations with participating nations outside the alliance ".

44. The North Atlantic Council, with the advice of the NATO military authorities, was directed to develop this concept and establish the necessary capabilities. In co-ordination with WEU, it would work on implementation in a manner that would provide " separable but not separate " military capabilities that could be employed by NATO or WEU.

45. The CJTF plan calls upon the Supreme Allied Commander Europe and Supreme Allied Commander Atlantic to designate a notional general officer and headquarters staff that could be drawn out of the NATO integrated structure. NATO " would then deploy them to a theatre of operations for the purpose of conducting the command and control of a contingency. "

46. In an early working definition, military authorities at NATO defined a CJTF headquarters as a deployable, multinational, multiservice head-

quarters of variable size, formed to command joint forces of NATO and, possibly, non-NATO nations, for the purpose of conducting peace operations outside the territory of NATO. A NATO CJTF headquarters could also be detached for European-led (WEU) operations. It is assumed that, for the composition of a CJTF headquarters, elements will be drawn from CINCENT, AFSOUTH and AFNORTHWEST.

47. In the Kirchberg declaration of 9th May 1994, the WEU Council stated that:

“ They welcomed the summit’s endorsement of the principle that collective assets and capabilities of the alliance can be made available for WEU operations in order to strengthen WEU as the defence component of the European Union and as the means to strengthen the European pillar of the Atlantic Alliance. They underlined that the modalities for making these available should preserve WEU’s own planning procedures and capabilities.

Ministers stressed the importance of work under way in WEU on the WEU-related aspects of the adaptation of the alliance structures. In order to enhance WEU’s ability to carry out the tasks defined in the Petersberg declaration, Ministers endorsed the approach to identify the assets and capabilities required to perform the necessary military functions.

Ministers underlined the importance of co-ordination with the alliance on the implementation of the CJTF concept and the definition of separable but not separate military capabilities so as to ensure their effective use where appropriate by WEU, and in that case under its command.

While recalling their commitment to strengthen the operational capabilities of WEU, they also agreed that WEU would benefit from careful management of resources as well as existing standardised procedures.

Ministers requested the Permanent Council to take discussions on these matters forward as fast as possible with a view to the timely presentation of joint positions into the process of consultation in the alliance.”

48. The final communiqué of the North Atlantic Council at Istanbul, 9th June 1994, made it clear that little progress had been made on this subject:

“ Close co-operation and co-ordination between NATO and WEU will continue to be developed in accordance with principles of complementarity and transparency. The summit decisions have set the course for

our co-operation, including the readiness of the alliance to make its collective assets available, on the basis of consultations in the North Atlantic Council, for WEU operations undertaken by the European allies in pursuit of their common foreign and security policy.”

49. After thorough preparation by a specific CJTF political-military working group, on 29th June 1994, WEU tabled a document with its guiding principles for the implementation of the CJTF concept. Since then, little progress has been made and no decisions regarding this subject were taken at the Seville meeting of NATO’s defence ministers on 28th-30th September 1994.

50. Initially, it was hoped that final conclusions on the CJTF concept could be presented to NATO’s defence ministers by the end of 1994, but in view of the slow progress being made, only an interim report will be presented. Final decisions are now expected to be taken in late spring 1995.

51. It was pointed out in an earlier Assembly report¹⁴ that CJTF will make little sense for WEU if the organisation fails to create the appropriate political-military infrastructure to deal with it effectively. Even if some progress has been made, existing infrastructure is still largely ad hoc.

52. For command and control of operations as envisaged in the CJTF concept, a strategic interface is required between political and military structures, an element still missing in WEU. The prevailing command and control regulations in WEU operations have been agreed on an ad hoc basis, lacking universality.

53. While CJTFs were originally conceived as mechanisms for providing command and control for non-Article 5, out-of-area operations, there is a growing feeling in NATO that non-Article 5 operations may easily develop into Article 5 operations. Most NATO authorities are therefore in favour of robust CJTFs, which could also provide complete command and control for a large-scale alliance operation. This idea is running counter to the original idea of having adaptable structures and flexible procedures conceived to be used in relatively minor but possibly complicated and autonomous, multinational operations.

54. NATO’s SACEUR, General Joulwan, has stated that he wants specific authority to approve any operational requirements for a CJTF, but it should be noted that this would leave any European operation without participation of the transatlantic allies still completely dependent on the decision of a United States commander. It really seems illogical to have an American general as

14. The WEU Planning Cell, report submitted on behalf of the Defence Committee by Mrs. Baarveld-Schlaman, Rapporteur, Document 1421.

the linchpin of Europe's security and defence identity.

55. In recent negotiations, however, some progress has been made, *inter alia* because the United States has relinquished its emphasis on the rôle of major NATO command, while adopting a more positive approach to the flexible modular concept.

56. It is also noted that CJTF makes little sense without a European command, including a general staff reflecting the armed forces commitments of each of the participating nations with the preparation of political decisions and operational planning in the hands of the Europeans.

57. In order to solve a number of these and other outstanding questions, it has been proposed to start experimental exercises with CJTF general staffs.

58. Altogether it is quite clear that the Atlantic Alliance quite naturally prefers to maintain existing structures insofar as possible, while among Europeans there is insufficient consensus to present a distinct and logical European view. In fact, in negotiating the implementation of the CJTF concept, WEU is working out details for its operational rôle while the basis for this rôle, a coherent European defence policy, has not yet been established. Here again, with agreement on the general principles of a future redistribution of rôles and responsibilities, it appears difficult to mobilise the consensus needed to put them into practice.

(d) France and NATO

59. In particular, since last year, France has made certain moves in the direction of NATO, indicating that it was prepared to give up some long-standing taboos as regards this organisation.

60. The French Chief-of-Staff, Admiral Jacques Lanxade, signed an agreement with SACEUR enabling the French division in the European corps to be placed under NATO command in certain circumstances. Also, since 1993, the French representation at NATO has been participating in meetings of military organs which may have consequences for French armed forces deployed in such operations as in former Yugoslavia.

61. At the end of September 1994, the French Defence Minister, François Léotard, attended a meeting of NATO defence ministers in Seville for the first time since France withdrew from the integrated military structures of NATO. There should be no misunderstandings regarding this development in France's position towards NATO. France will keep clear of NATO's integrated military structures and will decide on a case-by-case basis whether it is appropriate for the defence minister or the chief-of-staff to attend meetings of the Atlantic Alliance's organs.

62. On 1st July 1994, France created a French military mission under General Patrick Woillez at CINCNORTHWEST, the Commander-in-Chief Allied Forces Western Europe, at High-Wycombe, which combines the former CINCNORTH¹⁵ and CINCUKAIR¹⁶ in the framework of the restructuring of the different allied commands in Europe.

63. In 1993, France had already created a military mission with CINCSOUTH, the Commander-in-Chief Allied Forces Southern Europe in Naples, some of whose units are involved in monitoring the embargo against Serbia and Montenegro in the Adriatic.

64. Since summer 1994, France also has a military mission with CINCENT, Commander-in-Chief Allied Forces Central Europe in Brunssum.

65. At the same time, it should be noted that the increased French participation in NATO is closely linked with the implementation of NATO's January 1994 decisions to adapt its structures and to make arrangements which should enable WEU to act on its own, making use of NATO assets without being subjected to NATO command.

66. France considers the possibility of joint action with the transatlantic partners as being of great importance for the security of the European continent. Shared values and solidarity are the foundations of the Atlantic Alliance which are still vital.

67. However, it should be noted, as stated by the French Prime Minister, Edouard Balladur¹⁷, that the alliance cannot do everything. It should not stand in the way of a proper European defence identity and should leave room for Europeans to act on their own if they wish and are able to do so.

68. If the United States and Canada wish to act together with their European allies, then NATO is the appropriate framework. In that case, France would not hesitate to co-operate, but for France to be fully available, two conditions must be met:

- NATO should be transformed, in particular in the field of peace-keeping, where the usual mechanisms of the integrated structure cannot be used, along the lines decided by the alliance's summit meeting in January 1994;
- member states must be prepared to deploy their forces in joint action in order to defend peace and liberty should the need arise.

15. Commander-in-Chief North Europe, commanding the allied forces of Norway and the Baltic coast.

16. Commander-in-Chief United Kingdom Air Force, commanding the airforce of the United Kingdom, attached to NATO.

17. Address of the French Prime Minister, Edouard Balladur, at the IHEDN on 8th September 1994.

III. Conference on Security and Cooperation in Europe (CSCE)

69. What has become of the CSCE's rôle after the signing of the Charter of Paris in November 1990 and the many initiatives taken since then to strengthen the CSCE process and to enhance its rôle?

70. Apparently, in recent years the CSCE has not been able to play the key rôle attributed to it after the collapse of the Berlin wall.

71. What has happened and what are its prospects at present?

72. Indeed, after the signing of the Helsinki Final Act in 1975, in particular the "third basket" with its focus on human rights, it has been a key instrument in the unravelling of the dictatorship in the Soviet Union and its firm control of its Warsaw Pact allies. However, once that process was accomplished, expectations of its rôle in maintaining peace and stability in Europe have been far too high.

73. It should be noted that despite many efforts made in the recent past, the CSCE's core structure has remained weak. Its different institutions are scattered all over Europe, the permanent staff is far too small to provide internal strength and continuity and the position of its Secretary-General is such that this official has only administrative responsibilities and no real authority.

74. Recent history has demonstrated that it has only been able to play a useful rôle in crises or conflicts where both parties were convinced that consultations and negotiations were the only possible way to find a satisfactory solution.

75. In fact, while theoretically it has a unique potential for an effective rôle in the newly independent states of the former Soviet Union, this has come to almost nothing because of the attitude of Russia which is clearly determined to re-establish its influence in what it calls its "near abroad", to name only Georgia and Nagorno-Karabakh. A notable exception should be made for the successful CSCE missions in Estonia and Latvia, where it helped defuse tension between ethnic Russians and the indigenous population, but here clearly both parties had understood that there was no other solution.

76. In the preparatory negotiations for the CSCE summit in Budapest (30th November – 1st December 1994), Russia had proposed the creation of a CSCE Security Council with permanent seats including a veto right as well as a system under which limited groups of states would handle issues of direct concern to them. Furthermore, Russia had proposed that the CIS be recognised as equivalent to the CSCE, NATO and the European

Union, and that Russia or CIS peace-keeping activities be supported by the rest of the CSCE.

77. It soon appeared that these proposals were not supported by a majority of other CSCE member states.

78. Speaking at the opening of the CSCE review conference in Budapest on 10th October 1994, Mr. Yuri Ouchakov, the head of the Russian delegation, said that the CSCE should be the "major moving force in European security" but that there was no need to set up a "hierarchical system". Apparently, Russia has understood that there is little chance of transforming the CSCE into Europe's most powerful security structure with the CIS, NATO and WEU subordinated to it. The present review conference will provide an important indication of the success or failure of Russia's diplomatic offensive.

79. It is known that Russia is seeking international support for its peace-keeping operations in its near abroad, where it recently has been playing at both arsonist and fireman. In particular, Russia is asking for a CSCE mandate to act as mediator and peace-keeper in disputes in former Soviet states.

80. On this specific issue, the policy of both European countries and the United States has been particularly ambiguous and unhelpful. It seems that no one is prepared to give Russia a free hand in these matters, but on the other hand it is quite clear that neither Western European states nor the United States are prepared to send their soldiers to Tajikistan to co-operate with Russian troops in what is, to say the least, a doubtful peace-keeping mission.

81. The United States Ambassador to the United Nations, Mrs. Madeleine Albright, approved Russia's peace-keeping rôle within the CIS, while stressing that it fell short of the best solution for settling disputes in the region. She stated that the burden of proof was on Russia to demonstrate that what it sees as peace-keeping activities are benign, but she made it clear that the United States was prepared to accept the continued presence of Russian peace-keeping forces in the more volatile republics in the Caucasus and Central Asia.

82. According to Mrs. Albright, it would be preferable for the United Nations to police the trouble spots in the former Soviet Union, but she added that this was impractical because of the demands on its resources¹⁸.

83. One month later, at the CSCE review conference, the United States delegate, Sam Brown, said that if Russia wanted international approval for such peace-keeping activities, it would have to be genuinely and independently

18. Financial Times, 7th September 1994.

invited to intervene in conflicts and its intervention would have to be for a limited duration and with clear goals.

84. Germany, speaking on behalf of the European Union, proposed strengthening the CSCE by suggesting members use its conflict-resolution mechanisms.

85. Altogether, it seems that the most promising part of the CSCE's activities may be conflict-prevention. In this field, the CSCE has established a number of procedures and mechanisms intended to provide early warning of tensions of any kind which may lead to crisis or conflict. An important element of early warning within the CSCE framework is the "intensive use of regular, in-depth political consultations" for which the possibilities were expanded with the establishment, in December 1993, of the CSCE's Permanent Committee in Vienna, which now meets at least once a week in a formal session. The two-yearly review conference, such as the present conference in Budapest, also offers an opportunity to examine possible violations of CSCE commitments and the degree of implementation of confidence- and security-building measures can also serve as an early warning indicator.

86. The CSCE High Commissioner on National Minorities plays an important rôle with his two-fold mission, on the one hand of trying to contain and de-escalate tensions concerning minority issues and on the other alerting the CSCE whenever such tensions threaten to develop to such a level that he would not be able to contain them with the means at his disposal.

87. The conclusion of a European stability pact, which is now being negotiated at different regional round table conferences, will contribute another important element in the CSCE conflict-prevention mechanism.

88. On the other hand, it should be emphasised here that in the timely exchange of information over rising tensions, early consultations over possible crisis situations and efforts to prevent conflicts, European states, also within WEU, have an individual responsibility which they cannot simply pass on to the CSCE and it would seem that in this respect there is still room for improvement.

IV. The situation in Russia

(a) Position of the armed forces in Russia

89. In Russia, the military accounts for some 1.7 million men and women; police and paramilitary account for another 1 million. During the Soviet era, the country was militarised to a high degree and it is well known that the industry's best plants were geared to produce weaponry, while the best engineers, technicians and scien-

tists were set to work on military output and research.

90. There can be little wonder that the legacy of this huge defence machine is causing numerous problems for the present government. Its main tasks in this field are to redefine the rôle of the Russian military in the post-cold war world, to restructure the armed forces and to convert the industry from being defence oriented towards one responding to a civilian consumer market. A first step was taken recently with the publication of a new military doctrine.

91. Notwithstanding its present-day problems, Russia still regards itself as a superpower and a regional leader. On the other hand, it feels liable to be isolated by surrounding states, vulnerable and deprived of protection. Naturally, it is therefore trying to protect itself by concluding agreements with the newly independent former Soviet republics to have their borders policed by Russian troops as well as by native border guards.

92. Isolation from the international community from which it is expecting help and support in the process of transforming the country's economy and society would be disastrous for Russia. This is a good reason why both the government and the military are interested in international co-operation, be it on a multi- or bilateral basis.

93. On the other hand there are concerns that positive public declarations, in particular in the field of disarmament, are not always followed up by action. Recently, on 16th September 1994, the Clinton administration decided to put off new strategic arms reduction talks with Russia because of uncertainties of reform in Russia and the slow pace of nuclear weapons reductions. It should be noted indeed that the START II treaty has not yet been ratified. On 28th September, President Clinton and President Yeltsin agreed to speed up the timetable for the 1993 START II agreement, saying that their countries would begin to dismantle the warheads as soon as that agreement was ratified, but this can barely be called a new development¹⁹.

94. The United States administration is also suspicious that Russia is still concealing its efforts to develop binary chemical weapons, despite its pledge in an understanding on chemical weapons reached between the United States and Russia in 1989 to disclose details of its poison gas programme to the United States. Apparently, Russia also has problems in devising an effective plan to destroy its huge 40 000 ton stock of chemical weapons agents²⁰.

19. International Herald Tribune, 29th September 1994.

20. International Herald Tribune, 24th June 1994.

95. Most recently, on 18th October 1994, the Chairman of the State Duma's Committee on Questions of Geopolitics, Victor U. Ustinov, stated that preparations for destroying the stock were "slack and inefficient". He said that no destruction technology had been fully developed and that there was no central management nor control of the programme. Storehouses may be completely inadequate within five years. Mr. Ustinov also suggested that co-operation in this field with the United States might have to be intensified. The Defence Committee planned to ask President Yeltsin to speed up the submission of draft laws on chemical disarmament.

96. For the time-being, conscription will be maintained even though there is widespread evasion, but there are not enough financial resources to implement the long-term objective of creating a professional army. At present, there is a huge oversupply of officers and generals compared to other ranks while the officers often remain badly housed and sporadically paid.

97. On 31st August 1994, the last Russian troops left Estonia and Latvia under an earlier agreement which had been negotiated with some difficulty. While at the peak of its power, the Soviet Union had about 350 000 troops stationed at over 1 000 military bases in the three Baltic states, then an integral part of the empire. Russia will now leave only 210 military behind to dismantle the nuclear submarine base at Paldiski in Estonia and about 300 at the Skrunnda radar installation in Latvia up until the end of the century.

98. This does not mean, however, that all problems between Russia and these two Baltic states have been solved. Most Latvians are not satisfied with the continuing presence of Russian military at Skrunnda, Russia is accusing Latvia of discriminating against Russian citizens in its citizenship law and there is no final agreement over the question whether Estonia will grant residency to the 10 000 retired Russian military personnel on Estonian soil. Moreover, Russia and Estonia are still involved in a dispute over their common border.

99. Also at the end of August, the last Russian soldiers left German soil where, before the collapse of the Berlin wall, 400 000 Soviet troops had been stationed.

100. With the accomplishment of these troop withdrawals, it is the first time now since 1939 that Russia has no soldiers west of its state borders which are roughly the same as those it had three centuries ago.

101. It goes without saying that these inevitable consequences of the end of the cold war have caused some uneasy feelings in the ranks of both politicians and military in Russia.

102. All in all, some 640 000 military of the former Red Army have been withdrawn from Central and Eastern Europe and now independent former Soviet republics since 1990, of which around 240 000 came back to Russia in 1994. With little to do and often non-existent or insufficient housing, chaos and general discontent is increasing in the armed forces.

103. Morale in the armed forces is said to be low. Budget cuts have limited the number of exercises and the state of readiness is thought to be low.

104. A recent extensive survey of Russia's senior military officers, carried out for the German Friedrich Ebert Stiftung, has clearly demonstrated that the military do not feel at ease with Russia's place in the world and with their own place in Russia. Although they do not endorse the more extreme nationalist politicians and parties, they are overwhelmingly in favour of a strong hand to guide the state and evidently feel that such a hand is lacking at present.

105. In popularity ratings, President Yeltsin scored a little over 25% with a disapproval rating of 50%, while Defence Minister, Pavel Grachev, scored 20% with a disapproval rating of more than 50%. Most military were very pessimistic over the immediate future with possibilities of uprisings, strikes and a putsch but few foresaw a return to socialism, the cold war or a planned economy. Understandably, the most popular foreign policy goal, endorsed by 55%, was the re-establishment of Russia as a great power enjoying respect throughout the world²¹.

106. Traditional loyalty and subservience to civilian leadership has not yet been broken, but the danger is greater than before.

107. The government publicly suspects a number of generals and other military of misappropriation of funds attributed to the armed forces. It is said that frequently billions (milliards) of roubles disappear. A recently published report of the Deputy Military General Attorney, Grigori Nossov, mentions the names and other details of military accused of fraud, embezzlement, active corruption and misappropriation of funds²².

108. Russia's top brass is losing its grip over regional commanders throughout the former Soviet Union. Its efforts to oust the Commander of the 14th army in the Trans Dniestr enclave on three different occasions in August 1994, remained unsuccessful, to name only one example²³.

21. Financial Times, 8th September 1994.

22. Le Figaro, 30th August 1994.

23. Financial Times, 6th September 1994.

(b) Defence spending

109. At the end of June 1994, the Russian budget for 1994 passed both Houses of Parliament. According to initial figures, total spending would amount to 194.5 trillion roubles (\$ 97.25 billion), with military spending fixed at about 40 trillion roubles (\$ 20 billion). The parliament, supported by the Russian military, had demanded a military budget of 55 trillion roubles, an amount the military consider essential to maintain basic effectiveness. Initially, the military had insisted on a budget of 80 trillion roubles.

110. According to the government, the 40 trillion roubles would include 22.1 trillion for basic military financing, 8.5 trillion for arms purchases, 4.8 trillion for capital construction, 2.5 trillion for scientific research and testing and 1.9 trillion for pensions²⁴. At the end of September 1994, the Russian budget, with its income cut almost in half because of a huge shortfall in tax revenues, again came under heavy attack from the military. They say that lack of money is causing Russia to default on its commitments to disarm, because only 22% of the planned budget for disarmament had been received.

111. According to Colonel General Alexander Kuznetsov, in the first nine months of 1994, the Defence Ministry had received only 14.6 trillion roubles, or 53% of the 27.2 trillion roubles it should have received. In a hearing before the State Duma's Defence Committee, the situation in the defence industries was called catastrophic. With 95% of the defence plants having stopped working and no new weapons research work being financed, the Defence Ministry would not receive a newly developed piece of equipment until the year 2000²⁵.

112. The 1994-95 edition of the IISS Military Balance put the complaints of the military into perspective, asserting that Russian defence budgets have been effectively static in real terms since 1992 with "perhaps a small increase in 1994". Contradicting official statistics which show a real decline in defence budgets based on the evidence of GDP decline statistics, the institute has roughly doubled its previous estimates for the 1992 and 1993 Russian defence budgets to \$ 74.6 billion and \$ 76.6 billion, from \$ 39.7 and \$ 29.1 billion respectively, by using a new measure of purchasing-power parity. The figure provided for the 1994 budget is \$ 79 billion, adding that even this estimate makes Russian military expenditure "in real terms substantially higher than that of any country apart from the United States"²⁶.

24. Financial Times, 25th-26th June 1994.

25. Financial Times, 27th September 1994.

26. The Military Balance 1994-95, London 1994.

113. It should also be noted that Russia has not stopped all activities in the development and production of new military equipment.

114. As a consequence of the START agreements, there will be more emphasis on sea-based strategic nuclear weapons. Russia is expected to start the production of a new SSBN, a successor to the Delta III, Delta IV and Typhoon class by the end of this decade.

115. Recently, submarines of the Russian Northern Fleet have resumed their Atlantic Ocean patrols from their Murmansk base. Icelandic authorities stated that for the first time for two years these submarines have shown up in the seas between Iceland and the United Kingdom. Training purposes have been mentioned as the most obvious reason for the resumption of these routine patrol missions²⁷. A recent Norwegian study argues that Russia's northern fleet, based in the Arctic, is emerging as the most important part of the former Soviet navy²⁸.

116. In 1993, the operating tempo of the most modern classes of Russian SSNs and SSBNs did not decline for the first time in six years. In the same year, Russia launched four submarines and another four are expected to be launched in 1994. A new cruise missile will be in operation in the next three or four years and several new anti-ship missiles have been developed²⁹.

117. A new attack aircraft, the Su-34, made its first flight at the end of 1993³⁰ and Mig is developing the MFI future air superiority fighter for the Russian airforce. The funding for several other aircraft development programmes has been made available³¹.

118. On the other hand, a shortage of fuel is affecting the Russian airforce and the whole training programme is only available for the best pilots.

(c) Russia's relations with its near abroad

119. A large part of the Russian political and military elite is seeking ways to reassert the Russian authority to protect former Soviet republics with Russia's armed forces, including its nuclear arsenal. To that purpose, the Collective Security Council of the Commonwealth of Independent States (CIS) has endorsed a draft agreement for a military alliance, to be submitted to the CIS leaders in early 1995. This military alliance is intended to provide a shield against "possible aggressive intentions against all CIS participant states".

27. NRC-Handelsblad, 26th August 1994.

28. Financial Times, 7th October 1994.

29. Jane's Defence Weekly, 21st May 1994.

30. Jane's Defence Weekly, 23rd April 1994.

31. Jane's Defence Weekly, 9th April 1994.

The draft agreement calls for the eventual creation of joint armed forces, collective peace-keeping forces and a joint air defence system and would in this way restore a cohesive, co-ordinated military force under unified control and under Russia's nuclear protection.

120. At the same time, Konstantin Zatulin, Chairman of the Russian parliament's Committee for Commonwealth Affairs, is proposing a strategic partnership between Russia and Ukraine, hinting that if such partnership came about, the issue of Ukraine's nuclear disarmament would not be a top priority for Russia³².

121. It can be argued that Russia's frontiers with the three Baltic states, apart from a still lingering border dispute with Estonia, now have the same legal status as other long-established international frontiers such as those with Finland and Norway.

122. On the other hand, the exact status of Russia's borders with the eleven former Soviet republics linked with Russia in the CIS is still fluid. Five of these eleven states – Georgia, Armenia, Tajikistan, Kirgizstan and Turkmenistan – have officially agreed to the stationing of Russian troops on their territory. Others agree that they share certain security interests with Russia, while maintaining their attachment to strict sovereignty and independence.

123. On 22nd September 1994, Yevgeny Primakov, the head of Russia's foreign intelligence service, publicly stated that the re-integration of most of the former Soviet Union into the Commonwealth of Independent States was an undoubted fact. He added: "If a negative attitude toward this becomes accepted in western capitals, then it could very adversely affect relations between them and Moscow." In the report which he released on this subject, it is said that an economic union of the CIS states is inevitable and a defence and political union desirable, and that such unions would safeguard the independent and democratic development of these states. The report further states that a federal structure would diminish the threat of ethnic and interstate conflicts within the CIS³³.

124. In fact, Russia's endeavours to reintegrate all the former Soviet Republics except the three Baltic states into the CIS, which was created immediately after the Soviet Union's dissolution in 1991, is clearly meeting with only a lukewarm response from the other partners. The problems are many-fold. Most of the newly independent republics are tied to Russia hand and foot. They lack financial resources, are dependent on Russia's energy supplies and other natural resources, their

industrial production is in shambles and Russia is their natural trading partner. Still, they are reluctant to hand over their national sovereignty to CIS structures. On the other hand, there is Russia which wishes to control the situation in what it repeatedly calls its near abroad, partly also to re-establish its former superpower status on the Eurasian continent. There are clear signs that Russia wants to retain control over the oil export pipelines from vast energy reserves in the Caspian sea region, while some observers assert that it wants to re-exert control over the energy resources of the former Soviet Union. At the same time, it is aware that supporting other CIS republics and the establishment and maintenance of a Russian rouble zone will cost money, which it does not have. A full-blown fiscal crisis (in the first nine months of 1994, the Russian federal government collected only 37.3% of the tax and other revenues it counted on receiving this year) and the steep decline of the rouble in October 1994 are clear indications of the chaotic economic situation in the country.

125. At the last summit meeting of the twelve CIS republics in Moscow on 21st October, a number of new political and economic agreements were signed, but many of the participating states expressed reservations and retained the right to opt out of CIS agreements.

V. The position of the Baltic states

126. After regaining independence in August 1991, the three Baltic states went through a turbulent period in their new relationship with the Soviet Union and later with Russia.

127. The withdrawal of all Russian troops by 31st August 1994 has heralded a new era for these states. Many reports by international bodies, amongst others the Council of Europe and the CSCE, have refuted Russian allegations of infringement of human rights for Russian speakers in the Baltic countries. Certainly, there are obvious problems remaining to be overcome and the Latvian legislation on citizenship is one of these.

128. At present, Russia has fully and wholly recognised the independence of the Baltic states. Any questioning of the integrity of the Baltic states or any serious crisis in relations between Russia and these states would no doubt have an immediate impact on the overall relationship between Russia and the West.

129. On the other hand, strong western support for the efforts of these states to secure their independence and to transform their economies and societies is vital.

130. Understandably, the Baltic states are making great efforts to enhance their security. The

32. International Herald Tribune, 31st August 1994.

33. Financial Times, 22nd September 1994 and Le Monde, 27th September 1994.

objective of all three is full membership of NATO as soon as possible, but everyone knows that this is unlikely to happen at short notice. Not only because NATO would be reluctant to provide security guarantees which it might not be able to put into practice, but also because an extension of NATO's treaty area to the very borders of Russia could play into the hands of Russian hardliners.

131. The next best solution for these countries which they are now implementing is to forge diplomatic and military ties which draw them into the western sphere and out of Russia's orbit. In fact, the Baltic defence strategy is to raise the political price of any Russian interference.

132. All three are participating in the partnership for peace and a Baltic battalion, which will be trained by Scandinavian and British soldiers, is being created for United Nations peace-keeping operations.

133. In this framework, they have to completely rebuild and reform their armed forces. This is a tall order, since there are no indigenous military structures and there is a lack of equipment and proper barracks. Moreover, most of the regular officers have served in the Soviet armed forces and are used to a different military culture and doctrine, not compatible with those of western forces. The most urgent need of all three Baltic states in the defence field is therefore to have their military trained according to western standards.

134. A sensitive problem which has been pushed to the backstage at present, but will return to a more prominent position in the future is the situation of the Russian region of Kaliningrad, which has common borders with Poland and Lithuania and not with Russia. Kaliningrad is playing an important rôle as a transit camp for Russian troops which have been withdrawn from Central European countries.

135. Lithuania and Russia are now negotiating transit arrangements for the transport of Russian troops and equipment from Kaliningrad to the mainland of Russia. This issue is causing acrimonious debates in Lithuania.

136. With the exception of the Lithuanian Democratic Labour Party and the Union of Poles, all political groups represented in the Lithuanian parliament have demanded of President Algirdas Brazauskas that no agreement be signed with Russia on military transit and that Lithuania limit itself to the regulations which it had made earlier. The CSCE might play a rôle in guaranteeing the smooth pursuit of the operation.

137. On 27th September 1994, the representative of Lithuania raised this transit problem in WEU's Permanent Council and asked the Council to consider the possibility of making WEU observers available to monitor the transit arrangements

once they are agreed between Lithuania and Russia. The proposal was fully supported by the representative of Poland. At that meeting, the Permanent Council agreed to consult national capitals, but since then no further news has filtered through.

138. Once this problem has been solved, one might still wonder how the Kaliningrad area will be able to subsist without direct land connections with mainland Russia and without resources of its own.

VI. The new dividing line in Europe

139. What about the Europe whole and free, so much hailed in the London declaration of 1990? It should be recognised now that this concept has been over optimistic. Indeed, progress has been made through efforts to create frameworks of co-operation and consultation, but there is now an understanding that Russia cannot be an integral part of either NATO or the European Union, if only because of its size. Both organisations would collapse under the weight of Russia's membership.

140. Russia has also clearly understood that there is no room for it in either of these organisations. It has tried in vain to subject them to a European superstructure – the CSCE in which it had proposed a right of veto for itself.

141. Apparently there will be no all-encompassing security system in Europe and there is no denying that a new western and a new eastern group of countries are emerging. On the one hand there is the European Union with WEU which will, in the not too distant future, gradually incorporate the Central and Eastern European countries not belonging to the CIS. On the other hand there is Russia and the now independent former Soviet republics which are members of the CIS.

142. The central challenge for European security is to make sure that this new and inevitable dividing line will not develop into a new line of confrontation. Vague rhetoric over the possibilities of partnership will not help, even less if at the same time this is accompanied by ambiguous language over Russia's ambition to intervene in the near abroad. A policy of words without follow-up would only reinforce the idea that the West is not really interested in security in the former Soviet Union.

143. In this constellation, NATO, the bulwark of western co-operation, seems to be leaning towards a rôle of mediator and all-encompassing organisation, covering all states on both sides with NACC and offering them an à la carte co-operation of much wider scope with its PFP programme.

144. The European Union and Western European Union have chosen a different policy. They cannot and will not stretch further eastward

beyond the borders of the CIS, if only for reasons of internal strength and political and economic coherence. This policy was confirmed at a meeting of twenty-two ministers for foreign affairs in Luxembourg on 31st October 1994.

145. With the states of the CIS, however, they should make sure to maintain the closest possible relations in an atmosphere of full transparency in order to prevent any resurgence of alienation while, at the same time, preparing a framework of narrower relations which could come to fruition in a more distant future when the present situation of political and economic transformation in that part of Europe has settled into a new balance.

146. It seems that the European Union, Western European Union and NATO, in a natural way, have developed different policies which are in no way contradictory but rather complementary and perfectly adapted to the situation today.

VII. Risks and threats to European security

147. Many developments on the Eurasian continent and elsewhere after the fall of the Berlin wall have demonstrated that, despite revolutionary changes, the world has not become more secure than before. Although by now the new risks and threats to Western European security are sufficiently well-known, it seems useful once again to provide an overall review in the framework of the present report.

(a) Balkans

148. It is no secret that the Balkans, with the conflict in ex-Yugoslavia at the centre, will remain an area of interest and instability for many years to come. All the efforts of the contact group (France, Germany, Russia, the United Kingdom and the United States) to present a peace agreement which would be acceptable to the parties involved in the Bosnian conflict have so far been in vain. It would seem that the situation is still deteriorating and that violence is again the only language of first and last resort between the parties.

149. Moreover, the conflict has brought into the open many debates and disagreements between Europe and the United States and also between NATO and the United Nations over the best way to put an end to it and how to act and react in the protection of humanitarian aid, own troops and safe areas.

150. Apart from the violence raging in the Bosnian conflict, unrest is still simmering around Albania, Kosovo and Macedonia, where frontiers do not coincide with ethnic populations and where minorities feel threatened by the ruling class.

151. Furthermore, no solution has yet been found for those regions of the republic of Croatia which are occupied and claimed by Serbs. At present, there are rumours that a formal reconciliation between Belgrade and Zagreb is under active consideration, since President Milosevic has come under strong pressure from western countries and Russia to recognise the Croatian government and acknowledge in principle Croatia's territorial integrity³⁴. Recently, a dispute over confiscated Italian properties and other claims of the Italian minority in the peninsula of Istria has divided Italy, Slovenia and Croatia. Vojvodina, a region in Serbia where around 300 000 Hungarians are living, is now out of the limelight but it may be a focus of attention at a later stage.

(b) Minorities and frontiers

152. Problems of minorities and frontiers in Central Europe may remain on the agenda for some time to come, but there are hopeful signs.

153. The new socialist-liberal coalition government in Hungary has clearly stated its determination to obtain a historic reconciliation with its neighbours, in particular Slovakia and Romania, where, respectively, more than 500 000 and 1.7 million to over 2 million ethnic Hungarians live. Immediately after coming to power in July 1994, the Hungarian Prime Minister, Gyula Horn, paid a visit to Bratislava in September. It is not yet clear, however, what action will be taken by the new Slovakian government.

154. The Romanian Minister for Foreign Affairs paid a visit to Budapest in early September 1994 where he used conciliatory language while not hiding the fact that negotiations between the two countries would be long and complicated. Here as well, the situation may become more complicated, now that the ultra-nationalist Party of Romanian National Unity has been included in the government. So far, both Romania and Slovakia have stipulated that the inviolability of frontiers should be written into the bilateral agreements, while Hungary claims guarantees for the rights of minorities. According to the Hungarian Foreign Minister, Laszlo Kovacs, Hungary would be prepared to consider the question of minorities separately in order to accelerate negotiations and to mention it in an annex to the bilateral treaties.

155. The European stability pact, now being negotiated and later to be inserted in the CSCE framework, will certainly play an important rôle in defusing possible tensions between Central and Eastern European states, especially as regards minorities and frontiers.

34. Financial Times, 12th October 1994; Le Monde, 27th October 1994.

(c) Mediterranean

156. The situation in the southern Mediterranean is extremely volatile.

157. In Algeria, since the cancellation in January 1992 of a general election which the fundamentalist Salvation Front was expected to win, an armed Islamic power struggle between Islamic fundamentalists has wrought havoc in the country involving the violent death of thousands of civilians, military and police officers. While the Algerian government says that 10 000 people have been killed since the beginning of the conflict, foreign experts provide estimates of up to 30 000.

158. In spite of more than two and a half years of dour struggle, the government has not succeeded in eliminating Islamists from Algerian politics and eradicating armed Islamic groups. In September 1994, the government released some of the leaders of the Islamic Salvation Front (ISF), including the two most senior leaders, Abbasi Madani and Ali Belhadj, from prison hoping that they could give support to the objective of stopping the violence. It is by no means clear, however, that these leaders can command the loyalty of younger fundamentalists who have taken charge of the armed revolt and until now there have been no signs of the violence diminishing. It is no secret that both the Islamic movement and the government are divided over practically all the main issues now at stake, and negotiations would be long and difficult without there being any guarantee of positive conclusions in sight.

159. Meanwhile, on 29th October, the Algerian President, Liamine Zéroual, publicly declared that the government's efforts to start a dialogue with the Islamist movement had failed, while accusing the representatives of the ISF of having continued to encourage terrorism and extremism. The President announced that presidential elections would be organised before the end of 1995.

160. It remains to be seen how serious the divisions within the Islamic movement are, but there are signs that there is an increasing similarity with the Afghan Islamic movement, which has divided into different camps which fight each other. The recent agitation by the Berber movement will certainly not ease the already tense situation in the country.

161. In the neighbouring countries, Morocco and Tunisia, the situation is still under control, but understandably the governments of both countries are extremely worried over developments in Algeria. The governments of both countries are reluctant to relax their hold or power for fear that Algeria's political unrest might spread across the border. The Algerian government's decision to try and negotiate with the Islamic fundamentalists has only increased these worries.

162. Libya is to a large degree still isolated from the other North African countries, being suspected of secret support for Islamic fundamentalist movements. United Nations sanctions, imposed in November 1993 after Libya failed to co-operate with investigations of the PanAm and UTA disasters over Lockerbie and Niger respectively are troubling the régime of Colonel Kadhafi. The country's annual oil revenues have plummeted from \$ 21 billion a decade ago to \$ 6 billion at present.

163. Egypt too has to cope with a rebellious and violent campaign of Islamic fundamentalists which the government, despite sustained efforts, has not been able to quell.

164. Little progress is being made regarding the situation in Western Sahara. In April 1994, the pro-independence Polisario Front had agreed to abide by United Nations Security Council Resolution 907 for organising a long-delayed referendum on the territory's future before the end of 1994, but recently the process incurred new delays because of Moroccan claims.

165. Although the five-country Arab Maghreb Union³⁵ held its delayed sixth Supreme Council meeting in Tunis on 2nd and 3rd April 1994 with a final communiqué stressing the need to continue working towards the ultimate goal of Maghrebian unity, it appears that, in practice, very little progress has been made.

166. A recent document of the Commission of the European Union rightly says that political, economic and social conditions in a number of North African countries are sources of instability leading to mass migration, fundamentalist extremism, terrorism, drugs and organised crime. The Commission has therefore launched a proposal to create a Euro-Mediterranean economic area, akin to the European economic area, set up with the EFTA countries earlier in 1994. In this initiative, the European Commission has proposed to more than double the European Union's aid to help participants restructure their economies. The target date for a full Euro-Mediterranean free trade area is 2010. Meanwhile, special association agreements are being negotiated with Israel, Tunisia and Morocco.

167. It should be noted that North African countries are still worried that they receive less attention from the European Union than the countries of Central and Eastern Europe. In 1993, all non-European Union Mediterranean countries received 407 million ecus in aid, compared with 1.04 billion ecus for Central and Eastern Europe.

168. It seems, however, that with the present volatile situation in mind, WEU cannot sit and

35. Algeria, Libya, Mauritania, Morocco and Tunisia.

wait to see what will happen next. It will have to prepare for a situation which may give rise to greater concern over Europe's southern flank than is the case at present.

169. In its Luxembourg meeting on 9th May 1994, the WEU Council, after having stressed "the importance of security and stability in the Mediterranean basin for the security of Europe" agreed "to develop the dialogue already initiated with the Maghreb countries and to expand it to Egypt and gradually to other non-WEU Mediterranean states."

170. This is all very well and the Council's activity and intentions should certainly be welcomed, but one may question the effectiveness of these modest steps, which are little more than an exchange of information with the diplomatic representatives of these countries in Brussels. Moreover, the existing divisions and wide differences of views among the abovementioned countries is almost a guarantee for low effectiveness and little progress in this dialogue.

171. This should not discourage Europeans from continuing their efforts in political dialogue and discussions. The idea of creating a Conference on Security and Co-operation in the Mediterranean (CSCM) in the mould of the successful CSCE should not be discarded, even if its establishment may take a long time.

172. On the other hand, Europe will also have to prepare itself for an even more volatile situation in North Africa, which may result in a direct threat to its southern flank which traditionally has been its soft under-belly. Security and defence policy is not just dialogue, it is also vigilance and preparedness to act physically if circumstances demand.

173. The French-Italian-Spanish initiative for a reaction force in this region should be encouraged and a link should be established between this force and other forces answerable to WEU which could reinforce its operations.

(d) *The Caucasus*

(i) *Georgia*

174. The war between Georgia and Abkhazian separatists is only one example of how the military have taken control in different conflicts on the territory of the former Soviet Union. While Georgia's leader, Eduard A. Shevardnadze, was seeking an accommodation with the Abkhazian separatists, his Minister of Defence, Tengiz Kitovani, invaded Abkhazia without his approval. The tide turned when in September 1993 the Abkhazians, supplied with weaponry, money and operational planning by Russians, drove the Georgians back to their own territory. It is generally believed

that hard-liners in the Russian military authorised support to Abkhazians at the time when President Yeltsin was entangled in a serious conflict with hard-liners in the Russian parliament.

175. The only way for Georgia to make Russia stop giving covert aid to Abkhazian separatists was to agree to accept permanent Russian military bases on its soil. At the end of June 1994, President Shevardnadze had to accept 3 000 Russian troops to monitor the border between Georgia and Abkhazia. On 21st July 1994, the presence of these troops was legitimised by the United Nations Security Council, allegedly in exchange for Russian support for an invasion of Haiti by the United States with the backing of the United Nations.

(ii) *Nagorno-Karabakh*

176. The conflict over Nagorno-Karabakh is still not solved, and it is obvious that a solution can be found only if it has the full agreement of Russia.

177. Recently, negotiations between President Geidar Aliev of Azerbaijan and President Levon Ter-Petrossian of Armenia meeting in Moscow almost reached agreement on a peaceful settlement. Parties involved in the conflict have now asked for an international peace-keeping force to police a cease-fire, but there are still some issues outstanding. There is no agreement over when Armenian forces will withdraw from Azeri areas seized outside the Nagorno-Karabakh enclave, over the final status of the enclave and over the exact size and composition of the peace-keeping force.

178. A request for a peace-keeping force has now been made at a CSCE meeting in Prague on 30th September which could lead to the first CSCE peace-keeping operation.

179. At the beginning of October, political unrest caused President Aliyev to impose a state of emergency followed by the dismissal of Prime Minister Suret Huseinov who was accused of siding with opposition forces trying to incite a coup.

180. Whatever may happen in the Caucasus, Russia will always make sure that it will keep a firm hand on developments in this strategically important region with oil and rising Islamic fundamentalism as important ingredients.

181. Here, it should be recalled that in September Azerbaijan signed an \$8 billion oil production agreement with a consortium of western oil companies to drill in the Azeri section of the Caspian Sea. Following this agreement, Russia has proposed the establishment of a multinational co-ordinating committee to decide on the exploitation of oil and gas reserves in the Caspian Sea to which,

it stated, Kazakhstan and Turkmenistan had already agreed³⁶. At the initiative of Russia, on 12th October 1994, representatives of all the countries surrounding the Caspian Sea met in an effort to reach agreement over claims to the region's natural resources³⁷.

(iii) *Chechnya*

182. Russian efforts to regain control over Chechnya have so far been less successful. Three years ago, Dzhokar Dudayev, a former Soviet air-force general, declared Chechnya's independence from Moscow. President Yeltsin is now openly supporting Mr. Dudayev's opponents with money and arms, partly because he cannot tolerate flagrant defiance, but also in order to pre-empt his nationalist critics by appearing tough against independence in other restive regions, to name only Tatarstan and Bashkiria. Moreover, all three autonomous republics mentioned here are oil-producing regions. It should be noted, however, that the most conspicuous opponent of Mr. Dudayev is Ruslan Khasbulatov, the former speaker of Russia's parliament, who was released from prison in February last.

183. Russian military forces in neighbouring regions have been put on full combat alert to prevent the Chechen conflict from spreading to other parts of the Caucasus. Recently, the Russian deputy Prime Minister, Sergei Chakrai, has stated that in Chechnya, being part of Russia, troops of the Ministry of Interior should re-establish order³⁸.

184. On several occasions, both political and military leaders in Russia have called for a renegotiation of the CFE Treaty in view of the unstable situation in the Caucasus. The Defence Minister, Pavel Grachev, has stated that the amount of equipment authorised "in no way corresponds to the military needs entailed by an adequate defence capability". The Minister also noted that according to the treaty, after 1995 Russia will be limited to "700 tanks, 580 armoured troop transport vehicles, and 1 280 artillery systems for the military regions of Leningrad and the Northern Caucasus". However, in his view, these regions require about 1 500 tanks, 3 000 armoured transport vehicles, and 2 100 artillery systems of which 600, 2 200 and 1 000 respectively would be required in the Caucasus.

185. NATO has stated that it is against a renegotiation of the treaty, but that, in accordance with Russia and the states of the Caucasus, changes would be possible, provided that the global ceiling authorised by the treaty for these countries were not exceeded.

36. Financial Times, 27th September 1994.

37. Financial Times, 12th October 1994.

38. Le Monde, 28th September 1994.

(e) *Tajikistan*

186. Russia has deployed a 25 000 strong military force in Tajikistan, mainly in this country's southern region on the border with Afghanistan.

187. The Russian troops have been instrumental in overthrowing a coalition of intellectuals, democrats and Islamics which had come to power in autumn 1992 and re-installing a government of old guard hard-liners from the previous communist administration under the interim head of state, Imamali Rakhmonov. In this power struggle, tens of thousands have been killed while many others have fled the country into Afghanistan.

188. At present, Russia claims that these troops play an important rôle in protecting the former territory of the Soviet Union against Islamic fundamentalist forces from Afghanistan, but more probably they have become heavily tangled in the power struggle between different clans inside Tajikistan.

189. Meanwhile, several rounds of negotiations have been held in Islamabad between representatives of the Tajik government and opposition covering such issues as a permanent cease-fire, the return of refugees from Afghanistan and Tajikistan's government system. A temporary cease-fire monitored by United Nations military observers came into force on 19th October. On 6th November 1994, Imamali Rakhmonov was elected president in elections which were not recognised and boycotted by the opposition and to which the United Nations and the CSCE declined to send observers.

(f) *Ukraine*

190. The election in July 1994 of Leonid Kuchma as the President of Ukraine, who during his election campaign had promised closer links with Russia, seems indeed to have a positive influence on the relations between the two states.

191. On 18th August, Russia and Ukraine reached an agreement on the repayment of Ukraine's debt to Russia for the supply of gas. In early September, a number of agreements were prepared for signature on the occasion of President Boris Yeltsin's visit to Kiev. Some agreements were prepared on economic and trade issues, but Ukraine also stated that it would agree to split the on-shore facilities of the Black Sea fleet. This agreement would clear the way for the solution of questions which remained after the basic agreement on the division of the Black Sea fleet, concluded in April 1994³⁹.

192. It should be pointed out, however, that Ukraine has clearly stated that it does not intend to change its status as an associate member of the CIS

39. Financial Times, 5th September 1994.

economic union, wishing to keep its distance from a closer union with this Russian dominated body.

193. Mr. Kuchma's election may also lead to an easing of tension in Crimea, the autonomous Ukrainian peninsula which earlier in 1994 elected the separatist Yivu Meshkov as its President. Crimea is dominated by ethnic Russians for whom there seems to be little distinction between calls for independence and reintegration in Russia of which Crimea was part until 1954. At present it appears, however, that Russia is giving priority to good relations with Ukraine and its new leadership, rather than support a Crimean secessionist movement. It seems that this new reality has been understood by Crimean politicians.

(g) Moldova and the Trans-Dniestr region

194. The republic of Moldova which declared its independence in August 1991, shortly after the failed coup in Moscow, is still facing a multitude of threats to its very existence as an independent state. While two-thirds of its population is of Romanian origin, the idea of reunification with Romania is no longer topical. With no other important markets for its agricultural and industrial production and completely dependent on Russia for its energy, Moldova had no choice but to integrate into the economic union of the CIS in October 1993.

195. The Gagauz, Turkish-speaking Christians living in the south of the country, have obtained a statute of autonomy. No solution has yet been found for the Trans-Dniestr region inhabited by the largest part of the Russian and Ukrainian minority. This region declared its independence and, after a short but violent armed conflict with the central authorities of Moldova, is now being protected by the 14th Russian army.

196. At present, Russia is keeping its 14th army in Moldova without any formal agreement or any other accord on military bases. Repeated efforts of the Russian government to replace the commanding general of the 14th Army have all been in vain. One may doubt whether the government has full control over this part of its armed forces.

197. On 21st October 1994, at the CIS summit meeting in Moscow, the Russian and Moldovan Prime Ministers agreed on the withdrawal of the Russian 14th army from the breakaway Trans-Dniestr region by 1997. It is by no means certain, however, whether this agreement will be ratified and implemented.

198. The Moldovan government has declared that Trans-Dniestr could be given the statute of autonomous region while sharing a common foreign policy and armed forces, but Trans-Dniestr itself insists on being an independent republic.

(h) Proliferation of nuclear weapons

199. In the spring of 1995, a conference is to be held in New York to decide, in accordance with Article X 2 of the treaty on the non-proliferation of nuclear weapons (NPT), whether the treaty should "continue in force indefinitely, or shall be extended for an additional fixed period or periods". The decision on extending the treaty must be taken by a majority of the present 164 signatories. Many have cast doubts on the effectiveness of the NPT, but it should be noted that at present only three countries (India, Israel and Pakistan), which have not signed the NPT, are "threshold" or "suspect" states meaning that either they have a nuclear weapon or are actively developing one. Algeria, another potential "suspect" has now promised to join the NPT and has accepted a safeguard agreement for its nuclear reactors.

200. The nuclear status of Israel may be considered as potentially the most destabilising since it has incited a number of Arab states not to ratify the chemical weapons convention. These states may also refuse to support NPT extension unless the United States can convince Israel to denuclearise.

201. The breaking up of the Soviet Union into a series of new independent republics has created new nuclear weapon states with an uncertain status as regards the NPT. It seems, however, that most of the problems caused by this development not provided for in the NPT have now been solved. All tactical nuclear weapons of the former Soviet Union have been transferred to Russian territory, the transfer of strategic nuclear weapons is under way and Belarus and Kazakhstan have joined the NPT as non-nuclear weapon states. Ukraine had agreed to do the same and finally, on 16th November 1994, the parliament of Ukraine ratified the NPT by a wide margin. Ukraine will, however, only formally accede to the treaty as a non-nuclear state once it has received assurances from the United States, the United Kingdom, France and Russia about its territorial integrity. The parliament had not been in a hurry to ratify Ukraine's NPT accession, also because it accused the United States of dragging its feet on the implementation of a \$ 350 million promise in disarmament aid⁴⁰. Meanwhile the transfer of strategic nuclear weapons to Russian territory is under way and those remaining on Ukraine territory cannot be targeted or fired without Russian co-operation. Ukraine has also agreed to an audit by the International Atomic Energy Agency (IAEA) of all nuclear materials on its territory.

202. Two states, Iraq and North Korea, have managed to establish a nuclear weapons development programme despite IAEA monitoring, but Iraq has been deprived of the programme while

40. Financial Times, 2nd September 1994.

North Korea has frozen its programme and on 21st October 1994 signed an agreement with the United States to restructure its nuclear programme.

203. A proposed world-wide ban on nuclear tests is high on the agenda of the 1995 NPT review conference, in particular because a very large number of the non-nuclear weapon states consider adherence to a test ban treaty by the nuclear weapon states as a litmus test of their good faith.

204. Many NPT signatories are accusing nuclear weapon states of failing to fulfil their side of the non-proliferation bargain, which, under Article 6 of the NPT, commits them "in good faith" to negotiate an end to the nuclear arms race and eventual nuclear disarmament.

205. Altogether, it should be noted that the prospects of indefinite NPT extension, as supported by France, Russia, the United Kingdom and the United States is not yet assured.

206. When establishing a common European defence policy, European nations should therefore take into account that, early in the next century, some more states may have acquired weapons of mass destruction. Proliferation of these weapons remains one of the major challenges for international security and for European defence. There may be not only a threat of such weapons to Europe's territory, but European armed forces operating overseas will also need new strategies and protective capabilities in possible crises or conflicts with adversaries who are in possession of mass destruction weapons. A ballistic missile defence capability of some kind will have to be developed which not one single European country will be able to afford. European and trans-atlantic co-operation in this field is urgently required.

207. The initiative taken at NATO's summit meeting in Brussels in January 1994 "that work begin immediately in appropriate fora of the alliance to develop an overall policy framework to consider how to reinforce on-going prevention efforts and how to reduce the proliferation threat and protect against it" should therefore be welcomed.

208. An issue which is perhaps even more difficult to handle is the theft and smuggling of plutonium and other nuclear materials, mostly from the Soviet Union, to would-be proliferators elsewhere. The German authorities have been particularly active and successful in tracking down cases of nuclear smuggling, not only because it is a crossroad of trade routes but also because it has acquired a thorough knowledge of Central and Eastern European criminal activities through the reunification process and the gradual withdrawal of the former Soviet forces from the territory of the former German Democratic Republic. The number of cases of suspected nuclear smuggling

investigated in Germany has increased alarmingly, from 4 in 1990 to 41 in 1991, 158 in 1992, 241 in 1993 and 90 in the first half of 1994.

209. Little is known about nuclear smuggling at the southern border of Russia into Iran and other Middle Eastern countries, but there is no reason to feel comfortable about that. Not all nuclear smuggling is alarming to the same degree, sometimes it is just a sniff of plutonium from a smoke detector. Other cases, such as those reported in May and August 1994, however, involve weapons-grade plutonium 239.

210. Why is it suspected that these nuclear materials come from Russia? This country is now dismantling almost 10 000 nuclear warheads, returning the plutonium to store, where it is easier to steal⁴¹. Moreover, it has a large quantity of highly enriched uranium and civil reactor-grade plutonium which also may be hazardous if handled by malicious people. Without modern western bar-coding and computerised stock systems, Russia has great difficulty in accurately keeping track of all its nuclear material.

211. Smuggled plutonium is more likely to come from nuclear stockpiles or research laboratories than from one of the three manufacturing centres for weapons-grade plutonium. In this framework, it should also be noted that Russian nuclear scientists, who in the Soviet era were part of a highly-privileged community, have suffered a serious decline in status, income and motivation, which, each in themselves, may easily lead to compensatory activities.

212. The risks, caused by nuclear smuggling and the brain-drain of nuclear scientists are almost too obvious to be mentioned here. Some non-nuclear weapon countries are interested in the establishment of a nuclear weapons programme and wish to acquire the knowledge and material to do so. Others are already one stage ahead and may try to improve existing programmes. Nor can the possibility of terrorist groups acquiring nuclear material be excluded.

213. What has so far been done to curb the risks involved? In order to counter the threat of a nuclear scientists brain-drain from Russia, the European Union, Japan, Russia and the United States set up the International Science and Technology Centre in Moscow in March 1994, which has now approved more than 50 research projects and committed \$ 30 million to sponsor 3 000 scientists over the next three years.

214. This is a good start but, knowing that these 3 000 scientists may represent only 10% of the

41. In the framework of recent nuclear disarmament agreements, the United States and Russia will each have to store at least 50 tons of plutonium extracted from dismantled warheads.

Russian scientists who have knowledge that is useful to anyone intent on building a nuclear bomb, it seems to be just a drop in the ocean. The \$ 30 million committed is also ridiculously little when compared to the \$ 4.5 billion which an international consortium is going to spend in order to dismantle North Korea's nuclear programme and replace it with new energy supplies and safer light water reactors⁴².

215. Since 1991, the United States Congress has authorised \$ 988 million to help diminish the nuclear threat from the former Soviet Union. In July 1994 only \$ 58 million of this formidable sum had been spent. An amount of \$ 4.2 million has been spent on improving export controls for the accounting of nuclear materials, of which only \$ 1 million has been spent in Russia⁴³.

216. It is said that, to a large degree, the programme was only very fragmentarily implemented because of friction with Russian nuclear experts, low funding and lack of attention from the top level of the United States administration.

217. It should be noted here that while the United States is contemplating methods to make its surplus of weapons-grade plutonium as unusable as possible, most Russian experts consider such behaviour as sacrilege. For many years, Russia has spent a disproportionate part of its national income on plutonium production and now thinks that, in the next century, plutonium may become an attractive fuel for nuclear energy plants.

218. Apparently, there is an urgent need for more co-ordinated multilateral action in order to produce the highest standards to control stocks of nuclear material, in particular plutonium, and to prevent theft and smuggling. Positive results can be expected only if such action is the result of careful negotiations among equal partners.

219. Moreover, agreements should be concluded to provide mechanisms for the continuous and swift sharing of intelligence on nuclear smuggling. In this respect, Germany has set an example in its agreement with Russia on this subject. At an informal meeting of Foreign Ministers from the European Union on 7th-8th September, Germany pressed for Europol, the European police agency, to be given greater responsibility for fighting this sort of crime. WEU could make an important contribution to non-proliferation by creating a nuclear non-proliferation research and monitoring centre at WEU level, which could co-ordinate European efforts in this field.

42. Of the total amount of \$ 4.5 billion, South Korea is expected to provide 55%, the rest being split among the five United Nations Security Council members and Australia, Canada, Germany and Japan.

43. International Herald Tribune, 29th August 1994.

220. The large plutonium stocks resulting from the bilateral nuclear disarmament agreements between Russia and the United States make it imperative for them to meet their specific responsibilities. The possibilities include proposals to put their surplus plutonium into internationally controlled safe storage, where it could be properly monitored; also, both countries could agree on the stocks to be degraded and offer a more open audit of their total plutonium stocks.

VIII. *The rôle of WEU*

(a) *Recent operations – outside and inside the framework of WEU*

221. In recent years, WEU has taken responsibility for several operations which have been, or are still being, conducted successfully. Mention is made here of the mine-clearing operation in the Persian Gulf. Currently, the WEU mission on the Danube and the Operation Sharp Guard in the Adriatic, both monitoring the sanctions against the different republics of the former Yugoslavia, are still continuing. Earlier Assembly reports have discussed these missions in detail.

222. The following paragraphs will review missed opportunities in Rwanda and WEU's activities in Mostar. Sadly enough, on both occasions and for different reasons, WEU did less well than could have been expected if its member states, represented in the Council, had shown greater promptness of action and political will to act together.

(i) *Rwanda*

223. Events in Rwanda have again clearly shown the futility of the nearly endless discussions on peace-keeping and humanitarian action in recent years. On 6th April 1994, the death of President Juvénal Habyarimana appeared to be the signal leading to a genocide in which more than 500 000 people were killed while many more fled their homes and country. A large number of the refugees died from cholera and dysentery. From 9th to 14th April, both Belgium and France deployed troops to evacuate their nationals. On 22nd April 1994, the United Nations reduced its United Nations Assistance Mission to Rwanda (UNAMIR) from 2 500 to 270 members.

224. On 17th May, the United Nations Security Council agreed in principle to expand UNAMIR to 5 500 troops in order to protect civilians under attack in special humanitarian zones and help guard international relief convoys. Implementation of this decision proved difficult because eight of the nine African countries which had volunteered troops had stipulated conditions, such as the supply of arms and equipment, which took time to be met.

225. Meanwhile France took the initiative of sending troops to Rwanda in the framework of a humanitarian action. At the request of France and Italy, the Permanent Council of WEU held an extraordinary meeting on 17th June to discuss the situation in Rwanda.

226. The Permanent Council instructed the Planning Cell to act as a point of contact and co-ordination between the member countries contributing to the action and the headquarters commanding the operation.

227. Later, a member of the WEU Planning Cell was incorporated in the Centre opérationnel inter-armées (COIA) at the French Ministry of Defence to co-ordinate the support in material and troops that was provided by other WEU member states. This was the first time that the WEU Planning Cell participated operationally in a force deployment⁴⁴.

228. On 21st June, the Permanent Council again met in the configuration of fifteen countries.

229. It appears that the Permanent Council tried not to oppose the French initiative of sending troops while at the same time trying to become involved as little as possible. The communiqué issued after the meeting on 21st June stated that a number of member states had confirmed that they were prepared to contribute to the initiative to ease the terrible suffering in Rwanda, provided the United Nations Security Council reached a new decision and due account being taken of the time needed to build up the means necessary for the effective deployment of an enlarged UNAMIR.

230. It was decided, however, that the support provided by member states would not be announced in the framework of WEU, but directly by the capitals concerned.

231. At a later stage, logistical and humanitarian support was indeed provided by Belgium, Germany, Italy, the Netherlands, Portugal, Spain and the United Kingdom.

232. One really wonders why, with eight of the nine full member states providing some form of tangible support in material and human resources, and the involvement of the Planning Cell, the Council took so many pains to ensure that it was not called a WEU operation.

233. It should be noted that France, when it took the initiative of sending troops, had taken into account all the lessons that had been learnt from recent humanitarian operations. It would not act without a United Nations Security Council mandate, only in a multinational operation, Article VII of the Charter was to be applied in order not to be dependent on the parties involved in the conflict, and both the length and the objective of the operation were to be determined in advance.

234. With the approval of the United Nations Security Council, France, on 23rd June then launched Operation Turquoise, deploying 2 500 troops in two bases in Zaire, Goma and Bukavu. Of these, some 1 000 troops would cross the frontier with Rwanda to provide humanitarian aid. As regards the objective, the French government had clearly stated that it had no intention of fighting anyone nor of becoming involved in internal political problems. Contact was being maintained with the RPF (Rwanda Patriotic Front) to ensure that France's action was seen as purely humanitarian. It wished to help and encourage non-governmental organisations by protecting human lives. French soldiers had strict instructions to avoid any contact with areas of hostilities and not to take issue with the RPF.

235. Why, in the face of a major humanitarian disaster, was there so much reluctance in Europe to act? Indeed, it has been said that not all the reasons for this passivity are shameful, one of them being that civil war in Rwanda was not a threat to stability in the region or in Africa as a whole. On the other hand, it was quite surprising that the United Nations had withdrawn its troops just when they could have at least done something to reduce the killing and make less difficult the creation of a new civil order.

236. In fact, Rwanda was an excellent instance of the theory and logic of the common European foreign and security policy being put to the test. Joint European action would have been in accordance with WEU's Petersberg declaration. It would have spread the cost and risks of a humanitarian or military intervention and it would have reduced suspicion of individual actors having potential national agendas, providing a balance between the more interested and the less interested countries. Instead of deciding to act together, most of the WEU member states used the Council meeting on Rwanda to stammer excuses while incriminating others of trying to act with the wrong motives or in self-interest.

237. Indeed, in Rwanda "something" has been done, but it could have been done better if WEU had been better prepared for the type of operation that after some years of experience with the "new world order" could be anticipated. The Planning Cell could have done more if it had not been trapped in the vicious circle where the Council does not provide more resources in the belief that the Planning Cell is not operational.

238. The situation in Rwanda would also have offered an excellent opportunity to involve the associate partners in a WEU operation. The full possibilities of this new statute, as defined in the Kirchberg declaration of May 1994, should be implemented. If there is no compelling reason to leave them on the side lines, they should be involved and participate in meetings of the Permanent Council.

44. Le Monde, 30th June and 1st July 1994.

239. Rwanda is not a unique case. Africa is boiling, and one needs barely mention Burundi, Somalia, Liberia and Angola to realise that the political situation is still far from stable. If the WEU Council considers the preparation of contingency plans to be a serious matter and not merely a pretext for keeping its Planning Cell busy, Africa is a point in case. WEU should create a European humanitarian action force which could function as a fire brigade in case of urgency.

240. At the same time, because the United Nations Security Council correctly tries, in the first place, to rely on regional forces, WEU should help in establishing an African action force composed of troop contingents from different African nations, trained and equipped by WEU member states.

(ii) *WEU's activities in Mostar*

241. In the presidency report on Mostar of 5th May 1994, it is mentioned that at the request of the Council of the European Union, preliminary work on a possible WEU contribution was carried out in 1993.

242. The options presented ranged from merely supervising a specific agreement among the parties on the policing of Mostar to the possibility of WEU establishing a police force proper, carrying out its duties directly on the spot.

243. Later, WEU focused on the possibility of a contribution to the supervision of the local police forces, their future organisation as a single, unified force and some of the ways in which WEU could contribute to the discharge of police duties.

244. WEU has taken part in a preparatory mission decided on by the European Union and it is pointed out that under the auspices of the preparatory mission and with WEU participation, the local police chiefs have held their first joint meeting for over a year.

245. On 12th October, the European Union Administrator of Mostar, Hans Koschnick, stated that the support of WEU "until then had not been very encouraging". He asked WEU to lose no time in sending the police force it had promised. WEU had promised to send 180 police officers to Mostar of which only 100 were in place by the end of October 1994, including some 40 French and German. At that time, one quarter had not yet been committed by member states. At present, the Muslim and Croat parts of the city each have their own police force. The intention now is to provide the local police with the opportunity to work together in order to guarantee security throughout the city.

246. Considering the rather limited activities of WEU, one might well wonder why it takes so much time to send a small police force of 180. Again, this is an operation which fits perfectly into WEU missions as formulated in the Petersberg declaration. The theoretical framework exists, but apparently the political will among the changing coalitions of member states to implement a policy to which everybody has agreed is still lacking. The reluctance to act, which is particularly manifest in the time-consuming beating around the bush and procedural battles in the Council, is tarnishing the image of the organisation. This is especially exasperating when it concerns limited operations such as Mostar where swift action would be possible with a coalition of the willing.

247. As the Dutch Defence Minister, Joris Voorhoeve, rightly said: "In Mostar WEU's credibility is at stake. It should not fail this test."

(b) *Reinforcing the operational organs of WEU*

(i) *The WEU Satellite Centre at Torrejón*

248. The establishment of the WEU Satellite Centre in Torrejón, which started its three-year experimental phase in April 1993, has been an important step forward. It is a first concrete proof of the Council's recognition that satellite observation is a vital element of a European security and defence identity. Many issues regarding the Centre are discussed in the report of the Technological and Aerospace Committee "The future of the WEU Satellite Centre in Torrejón", submitted by Mr. Lopez Henares, Rapporteur⁴⁵.

249. Notwithstanding the remarkable progress achieved by the Satellite Centre, which has been justly welcomed in the abovementioned report, it is thought here that some additional comments should be made in the light of the development of a European defence policy. With increasing European security and defence responsibilities and the changing attitudes of the transatlantic partners over their rôle in Europe, it is steadily becoming more evident that initial ideas regarding the rôle and functioning of the Satellite Centre in its experimental phase were too limited in regard to the tasks and objectives of the Centre. At present, some of these limitations prevent the Centre from developing a more operational rôle. When taking decisions in spring 1995 to ensure the continuity of the Centre's work, the Council should take the opportunity of redefining the rôles and responsibilities of the Satellite Centre in order to give it a far more active and operational rôle. The first is that the equipment and premises should be adapted in such a way as to be able to put into effect

45. Document 1437.

the memorandum of understanding concerning the interpretation and use of Helios I images. It is well known that this can be done without fundamental changes in the Centre's equipment and without involving disproportionate financial commitments.

250. The second is that a working relationship should be established between the Centre and the WEU Planning Cell in Brussels. From the very start it was thought that the Centre could become more operational by using data from the Helios satellite. It should also be recalled that the terms of reference of the Planning Cell include its task, in times of crisis, to provide advice to the WEU authorities on the practicability and nature of any WEU involvement.

251. It would be only logical to establish such links between Satellite Centre and Planning Cell as to enable both organs to acquire the necessary experience in their support tasks for crisis-management. An organisation which claims to play an important rôle in the European security and defence identity can be effective only if its various parts are able to co-operate on a practical level so that the options for a decision may be presented to those responsible in the event of emergency.

(ii) *The Planning Cell*

252. At its June 1994 session, the WEU Assembly discussed a report on the WEU Planning Cell⁴⁶ and adopted recommendation 561 on that subject. The Council has given its reply to this recommendation on 2nd November 1994⁴⁷.

253. Since then, the situation has not changed basically. It is useless to repeat the conclusions of the Defence Committee's earlier report which are still valid. The main problem is clearly that the Planning Cell does not get enough political support to do its work properly. A year and a half after its establishment, the Planning Cell is expected to present a full list of forces answerable to WEU. The development of an inventory of force packages which should enable WEU to carry out the tasks conferred on it has only just started.

254. Once again, it is not the Planning Cell itself that should be blamed for this, but rather the member states of WEU which, through their shuffling, reluctance, and hesitant, slow actions, are blocking any real progress.

255. With contingency plans and force packages available, it should have been a matter of days to send a humanitarian mission to Rwanda. At pre-

sent, even a very limited operation such as sending a modest police force to Mostar takes many months to materialise.

256. If the Planning Cell is meant to be a useful organ which would contribute to the operational capabilities of WEU, the Council should provide it with the appropriate equipment and staff to develop it into a real headquarters for the co-ordination of European operations.

257. According to the document on a status of association for the nine Central European states, published as part of the Luxembourg declaration of 9th May 1994, the associate partners may have a liaison arrangement with the Planning Cell. At present, this means no more than that each of these states can ask the Planning Cell to be informed about specific activities of the Cell, or that the Planning Cell can take the initiative to inform them of such activities as deemed appropriate.

258. According to the abovementioned document, associate partners may associate themselves with decisions taken by member states concerning humanitarian and rescue tasks, peace-keeping tasks and tasks of combat forces in crisis-management, including peace-making.

259. The document further states that associate partners "will be able to participate in their implementation as well as in relevant exercises and planning unless a majority of the member states, or half of the member states including the Presidency, decide otherwise. They will be invited to provide information on forces. They will also be able to offer forces for specific operations. When it is agreed that they join such WEU operations by committing forces, they will have the same obligations as other participants, as well as the right of involvement in the command structures and in the Council's subsequent decision-making process. The precise modalities of their participation, including their rights and obligations, in each such WEU operation will be agreed on a case-by-case basis".

260. Given the fact that an open invitation has been extended to associate partners to participate in WEU's main operational tasks, it would seem appropriate for the Planning Cell to prepare a list of the forces associate partners might make available to WEU and to include such forces in the force packages which are being prepared for contingency plans.

261. It is also noted here that the scope of associate partnership as defined in the Kirchberg document would justify a closer permanent link with the Planning Cell than the present liaison arrangement which seems unsatisfactory for partners who might wish to make full use of the opportunities thus offered.

46. The WEU Planning Cell, report submitted on behalf of the Defence Committee by Mrs. Baarveld-Schlaman, Rapporteur, Document 1421.

47. Assembly document A/WEU/DG (94) 23.

IX. Defence spending in Europe

262. If Western European states are serious in their assertion that there may be situations where they will have to act on their own, without the participation of their transatlantic allies, they will have to stop cutting their defence budgets, mainly because they currently have so little useable defence capability.

263. One may well wonder how the WEU member states will ever manage to develop the famous European defence identity if there continues to be such a wide and even increasing gap between their words and deeds. To a certain degree, it may be understandable that the share of defence expenditures in the GDP has decreased in recent years as shown hereafter:

of the burden or the increased responsibilities to which the WEU member states lay claim.

266. It should be recalled that the United States, with 250 million people, wishes to maintain a capability to conduct simultaneously and successfully two regional wars, while the European Union states, with more than 320 million people, cannot even conduct one without significant outside help.

267. In an interview, General George Joulwan, NATO's SACEUR has expressed concern about the recent drop in force levels among NATO member states⁵⁰. Most nations are falling short of their commitments to the multinational force structure of Allied Command Europe and the rapid reaction forces. General Joulwan confirmed

*Gross domestic product and defence expenditure
annual variation (%) in NATO countries⁴⁸
(based on constant prices)*

Country	Average 1970- 1974	Average 1975- 1979	Average 1980- 1984	Average 1985- 1989	1989	1990	1991	1992	1993e	Average 1970- 1974	Average 1975- 1979	Average 1980- 1984	Average 1985- 1989	1989	1990	1991	1992	1993e
(0)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<i>Gross domestic product</i>										<i>Defence expenditure</i>								
Belgium *	4.7	3.1	0.4	2.6	3.8	3.4	1.9	0.8	-0.7	4.9	4.4	0.1	1.4	-2.4	-1.2	-1.5	17.9	-4.0
Canada	6.0	4.8	1.7	3.8	2.3	-0.4	-1.3	0.1	3.1	-1.1	2.0	6.4	2.1	-0.6	1.8	-6.8	0.4	-0.9
Denmark	3.3	3.7	1.5	1.8	0.6	2.0	1.2	1.2	0.7	-1.6	2.6	0.2	1.0	-1.0	0.3	1.6	-2.6	0.3
France	4.5	3.8	1.5	2.9	4.0	2.4	0.6	1.2	-0.8	1.2	4.3	2.6	0.6	6.9	0.2	0.4	-2.3	-1.5
Germany	3.5	4.0	0.4	2.4	3.4	5.1	2.0	-1.2	-1.2	5.3	0.5	1.2	-0.5	-0.1	4.6	-7.7	-5.1	-6.5
Greece	6.5	5.3	0.5	1.6	3.5	-0.1	1.8	1.5	2.0	6.2	4.6	8.0	-3.7	-5.4	1.0	-5.2	4.4	0.1
Italy	3.4	5.0	0.7	3.2	2.9	2.2	1.4	0.7	1.5	5.4	-0.2	2.4	3.1	-0.9	-5.3	-1.9	1.3	..
Luxembourg ..	5.1	2.5	1.3	4.6	6.7	3.2	3.1	2.4	1.2	6.6	3.9	3.8	7.5	-8.1	4.5	9.2	4.7	-1.8
Netherlands...	4.0	3.4	-0.1	2.1	4.7	3.9	2.2	1.5	-0.3	0.4	2.3	2.7	2.0	1.2	-2.6	-2.7	-0.3	-6.9
Norway	4.7	5.2	2.0	2.2	0.6	1.8	1.9	3.3	1.5	-0.6	2.4	2.6	1.6	3.0	0.8	-3.3	5.3	-0.9
Portugal	7.4	5.5	1.1	4.5	5.2	4.4	2.1	1.4	0.6	6.4	-9.5	0.1	4.7	4.6	2.0	0.2	-0.7	-2.0
Spain	6.3	2.5	0.8	4.5	4.8	3.6	2.4	0.8	-0.8	2.1	0.5	3.3	-6.9	-3.9	-8.1	-5.4
Turkey	6.0	5.5	5.2	6.0	0.9	9.1	1.0	5.5	5.0	7.1	7.6	1.0	6.5	12.0	15.0	2.8	4.9	2.3
United Kingdom.	3.1	2.8	1.5	4.3	2.3	0.1	-1.6	-	1.0	-0.7	-1.4	2.5	-3.1	2.1	-0.1	0.5	-7.8	-4.9
United States...	3.6	4.5	1.4	3.0	2.6	0.7	-1.3	2.1	2.6	-7.6	-0.7	6.0	2.0	-0.4	-2.5	13.3	6.7	-5.5

* From 1992 Belgian defence expenditure reflects the decision by the Belgian Government to demilitarise the Gendarmerie.

264. This is a general trend, occurring in almost all NATO and former Warsaw Pact countries, which can be ascribed to the remarkable change in international relations.

265. It is completely incomprehensible, however, that the member states of WEU which accounted for 36% of the Atlantic Alliance's defence expenditures in 1983, only accounted for 28% in 1993⁴⁹. This is a far cry from the fair share

that the Europeans are relying too heavily on the United States to fulfil their needs in the areas of communications and airlift.

268. Now that the cold war has made way for a far less stable and secure world than initially expected, it is time to stop taking peace dividends. Too many European nations still think they can afford to use their defence budget as a money-spinner to solve all other budgetary problems.

269. In fact this is rather the moment to mark time and reconsider defence spending from a different angle, taking into account a far less pro-

48. Source: NATO review, April 1994.

49. Report by Mr. Jacques Genton, Senator, on behalf of the Foreign Affairs, Defence and Armed Forces Committee on the military programme bill for 1995-2000, page 67. (Second ordinary session, 1993-1994, No. 489).

50. Jane's Defence Weekly, 17th September 1994.

missing security situation. Knowing that there will be circumstances where it can no longer rely on its transatlantic partners to intervene, Europe will have to make its own specific threat-risk analysis and evaluate its own security environment in the framework of WEU.

270. In the following paragraphs, mention is made of recent developments in some WEU member states.

(a) Germany

271. A white paper on the security of the German Federal Republic and on the situation and the future of the Bundeswehr, published on 5th April 1994, has advocated a complete reorganisation of the armed forces. The white paper proposes the establishment of a core of crisis-reaction forces, integration into multinational structures and a two-tier conscript army.

272. The crisis-reaction forces will be assigned primarily to international missions in multinational formations within the framework of NATO or WEU or under the auspices of the United Nations or the CSCE. They will, however, also be available for ensuring territorial defence under plans for the full mobilisation of main defence forces. These crisis-reaction forces will comprise about one fourth of the ground forces, one third of the airforce and about 40% of the navy, and will enjoy equipment and funding priority. As regards equipment, priority will be given to enhancing C³I and transport capacities.

273. The German Chancellor, Helmut Kohl, has announced that Germany's armed forces budget will be increased slightly and will remain untouched over the next four years. While in 1994 the defence budget stood at DM 47.5 billion, it would be increased to DM 47.9 billion plus inflation over the next four years. The length of military service will be shortened from 12 to 10 months and the size of the Bundeswehr will be reduced to 338 000 men and women by the beginning of 1996. Both these decisions will produce savings, as a consequence of which it will be possible to use 30% of the defence budget for new investments instead of the present 22%⁵¹.

274. Germany is also planning to build an all-purpose ship to be used as a troop transporter and floating headquarters. It is designed to show that Germany is taking its new international responsibilities seriously.

275. With the army structure 5 reorganisation almost completed, the German army now comprises eight divisions, one air mobile command and 24 brigades. According to the German Chief of Defence Staff, General Klaus Naumann, the

German contribution to the NATO rapid reaction forces will be as follows: the army is to provide five fully ready brigades plus the German component to the Franco-German brigade to NATO's allied rapid reaction corps, the multinational air-mobile division and the Allied Command Europe mobile force as well as the Eurocorps.

276. The Luftwaffe is to provide six squadrons for attack, air defence and reconnaissance, two mixed SAM wings and two to three mixed transport wings. The navy will make available two to three task force groups.

277. For deployment outside the NATO area, the army has been directed to earmark up to one division, while the Luftwaffe is expected to prepare all transport assets as well as a number of combat aircraft to be specified at the time.

(b) Italy

278. In August 1994, the new Italian Government endorsed the proposals of the Defence Minister, Cesare Previti, to restructure the armed forces. The length of military service will gradually be shortened from the present twelve months to six months in 1999. The total strength of the armed forces will be reduced from 330 000 to 250 000. There will be an increased reliance on specialised volunteers.

279. The main objective of the present restructuring proposals is the creation of specialised units which could be deployed at the request of the United Nations or WEU. Italy is planning to create a rapid reaction force together with Spain and France, to be based in Tuscany.

280. Around 80 billion lire in the next ten years have been earmarked for modernisation, in particular for new equipment. The share of defence spending in Italy's GNP would increase from the present 1.6% to 2%.

(c) United Kingdom

281. The United Kingdom has drastically reduced its defence budget in recent years. A November 1993 review of public spending cut defence spending by almost £900 million over the next three years, following a budget cut of more than £1 billion announced in 1992. The budget allocation for 1994-95 (£23.49 billion) and the provision for 1995-96 represent cuts of 3.5% and 6.8% respectively in real terms.

282. The United Kingdom's regular armed forces numbered 254 488 on 1st April 1994, a reduction of more than 7% from 1993 and 17% from the "Options for change" defence reductions baseline of 1st April 1990. Under present plans, the army strength will be 119 000 personnel and 40 battalions by 1997.

51. Financial Times, 29th August 1994.

283. Two divisions, 3 (UK) Division and 1 (UK Armoured Division) are assigned to NATO's Allied Command Europe Rapid Reaction Corps (ARRC). Moreover, 24 Airmobile Brigade is assigned to the ARRC's Airmobile Multinational Division (Central).

(d) France

284. The French government has proposed a defence budget of F 202 253 for 1995, representing a 1.5% increase as compared with the 1994 budget. According to the government's white paper, presented in March 1994, the French army should have a stand-by force of 120 000 to 130 000 troops that could be quickly projected to a distant theatre.

285. The military programme law 1995-2000 adopted in spring 1994, pledges to raise defence spending by 0.5% annually until the end of the decade. However, since it takes neither future inflation nor economic growth into account, military spending will in fact decline from 3.3% of gross domestic product in 1994 to 2.9% in the year 2000.

286. The programme law calls for an army of 227 000 men with eight divisions by the year 2000. The total of armed forces personnel will drop from 609 000 in 1994 to 579 000 in 2001. On the basis of the military programme law and the white paper mentioned earlier, the French army is now planning a new internal structure of general staff to be approved by the government in early 1995. The basic principle is that the army should be able to project abroad a force of 40 000 troops. In fact, this force will have to be rotated, which means that 120 000 should be available for this task, reinforced by support and logistic units. This objective may be a tall order, when one recalls how much trouble it took to send 17 000 troops to the Gulf in the framework of Operation Daguet. Recently when 2 500 troops, 700 vehicles and 9 000 tons of freight had to be transported to Zaire-Rwanda for Operation Turquoise, logistics was a problem, and Russian transport aircraft had to be chartered to do part of the job.

(e) The Netherlands

287. In the Netherlands, the coalition partners in the new government have concluded an agreement to economise 2.4 billion guilders in the defence expenditures for the 1995-98 period. It was agreed that these reductions should not affect the implementation of the 1993 Defence priorities review, which, if fully implemented would bring about a reduction of 44% of the total armed forces personnel in 1998 as compared with the situation in 1990. The government has now made proposals for implementing the budget cuts, which will be discussed in parliament at the beginning of next year.

X. European armed forces co-operation

288. On 13th September 1994, France and the United Kingdom concluded an agreement to twin the French Rapid Action Force, (FAR, 45 000 troops) and the British Field Army (57 000 troops), both qualified to be developed for action in theatres abroad. The agreement envisages exchanges of instruction, joint training and participation in joint manoeuvres. A first practice is planned to take place in 1995, when high ranking officers will participate in simulated manoeuvres in order to discuss military doctrines and tactics.

289. More co-operation between French and British armed forces is being prepared. A Franco-British summit in Chartres on 18th November 1994 will be devoted largely to defence and security issues. Both countries are now planning to establish closer co-operation in military aviation which would make it easier for their airforces to co-operate in humanitarian and peace-keeping operations overseas under the aegis of the United Nations. Such operations, it is said, could take place in the framework of NATO or WEU.

290. The Anglo-French Joint Commission on Nuclear Policy and Doctrine⁵² is continuing its work and will present a report at the Anglo-French summit meeting.

291. The airforces of Belgium, Germany, the Netherlands and Norway have recently concluded agreements making air transport assets available to each other in order to improve airlift capability and reduce costs.

292. The agreements cover the whole spectrum of possible military operations, including peace-keeping and rescue operations.

293. The Defence Ministers of Germany and the Netherlands have signed an agreement to create a German-Netherlands army corps which will be operational at the beginning of 1995. The army corps will consist of 40 000 to 50 000 men, 15 000 being provided by the Netherlands. Mixed units will be stationed in both Germany and the Netherlands and the headquarters of the corps is to be located in Münster.

294. On 7th September 1992, a Franco-Spanish-Italian proposal was launched to constitute an aero-maritime force capable of fulfilling missions under the auspices of WEU. The guiding principle for this proposal was a desire to co-ordinate aero-maritime forces so that a maximum number of assets between the three countries were available

52. The work of this committee has been discussed in the report on the rôle and future of nuclear weapons submitted on behalf of the Defence Committee by Mr. De Decker, Rapporteur, Document 1420.

at any one time. Having been placed on the table of WEU, the proposal led in part to Combined Endeavour, a WEU maritime operation plan for the use of maritime forces answerable to WEU.

295. In fact, the Combined Endeavour solution elaborated by WEU with the help of the Planning Cell did not meet the expectations of the three initiators. Pursuing the earlier initiative, Italy has suggested a ground element to complement the air and naval components. The French Defence Minister, François Léotard, speaking in March 1994, linked the earlier proposal with a suggestion to create "European intervention forces, commanded by a European General Staff and which would be both multinational and have integrated (air, land and sea) forces". At WEU's colloquy on 17th October 1994, Mr. Léotard insisted on the achievement around the European corps of a network or reserve of variable-geometry air, sea and land multinational forces with flexibility allowing the governments of member states to respond in an appropriate manner to the requirements of a given crisis.

296. No further details have been provided about the creation of the common intervention force planned by France, Italy and Spain, which could be particularly useful for operations in the Mediterranean. Recently, the Spanish Defence Minister declared that there are no problems with the naval component for this force, but that there are still problems to be solved with the army component. It is hoped that some of the remaining obstacles can be overcome in the framework of the trilateral manoeuvre *Tramontana* which is to take place in Spain, in November 1994⁵³.

297. In June 1994, Poland established a rapid reaction force, the 25th Air Cavalry Division, which is on five hours' notice to be deployed anywhere within Polish territory. The division will consist of three independent regiments, combining paratroop elements and 150 helicopters when at full strength. The principal helicopter, the PZL W3W will be completely modified with western avionics and a new air-to-surface missile and chin-mounted canon.

298. The Netherlands and Poland have signed a naval co-operation agreement which, it is hoped, will lead to increased interoperability between Polish naval forces and those of NATO. The main objectives of the agreement are:

- exchange of information and experience;
- participation in training and joint naval exercises;
- joint training of mine countermeasures and search and rescue units in the Baltic;

- maintaining regular working contacts between the Hydrographic Office of the Polish Navy and that of the Royal Netherlands Navy.

299. Many similar agreements have been or are being concluded between WEU member states and associate partners with the aim of making the armed forces of partner states familiar with practices and procedures in Western European armed forces and preparing possible future joint operations.

300. On 28th June 1994, the Defence Ministers of Belgium and the Netherlands signed an agreement on the reinforcement of co-operation between their naval forces. The agreement envisages the creation of a bilateral operational headquarters in 1995 to manage the surface ships of both navies. Both Ministers have asked their air-force chiefs to study co-operation possibilities between the airforces.

XI. European equipment co-operation

301. Europe must get its act together to improve co-operation in procurement and arms production. The protracted policy of fiddling and make-shift measures which has been characteristic in past decades, with varying success and many failures, should now be renounced. With decreasing defence budgets on the one hand and new equipment requirements on the other, European nations which state that they wish firmly to establish a European security and defence identity can no longer afford merely to dabble with equipment co-operation.

302. The importance of and need for European armaments co-operation has been recognised by the WEU member states in many official declarations, to name only the 1984 Rome declaration on WEU's revitalisation and the 1987 The Hague platform on European security interests. In the declaration by member states of WEU, which are also members of the European Union, on the rôle of Western European Union and its relations with the European Union and with the Atlantic Alliance which is attached to the treaty on European Union, it is stated that enhanced co-operation in the field of armaments will be examined further "with the aim of creating a European armaments agency".

303. In December 1992, the defence ministers of the thirteen countries united in the Independent European Programme Group (IEPG) decided to transfer IEPG's functions to WEU.

304. Since then, IEPG has been transformed into WEAG, the Western European Armaments Group, based in Brussels within the framework of WEU. However, many problems still have to be solved to make it an effective organisation and it is said that the creation of a European armaments

53. *Le Monde*, 1st October 1994.

agency, now actively under study, will take many more years if not decades⁵⁴.

305. The time has come for Western European governments to think collectively and urgently about the dimensions of the defence industrial capabilities and the technological expertise they wish to maintain in Europe, the techniques they could use to maintain these capabilities and the costs they are willing to incur. Action should be taken urgently.

306. Should Western European states become involved in a conflict in the future, they should be able to rely on the appropriate industrial support.

307. Even when defence spending is low, desired basic capabilities have to be maintained on the assumption that the international political situation may deteriorate in the longer term and the need for defence increase once again.

308. Despite occasional co-operative programmes, the European defence industry is still strongly divided and the size of different national companies is not great enough to face strong competition in international defence markets. Rationalisation in the United States' defence industry began earlier than predicted with the taking over of Grumman by Northrop, Lockheed buying General Dynamic's F-16 fighter plant and the recently announced merger between Lockheed and Martin Marietta Corporation as the most spectacular events. This may not be the end of the process. A comparative table of turnover in defence business of the largest United States and European companies is revealing.

*Turnover in defence business 1993*⁵⁵

(\$ billion)

Lockheed.....	10.06
McDonnell Douglas	9.40
Martin Marietta.....	7.55
Northrop Grumman.	6.95
British Aerospace...	6.06
GM Hughes.....	6.05
Thomson CSF	5.00 (estimate)
Raytheon	4.79
GEC-Marconi.....	4.21
DASA.....	3.40
Aérospatiale	3.30

309. The continuing consolidation of the United States' defence industry presents European manufacturers with a powerful challenge and they will have to be tough and aggressive about doing the same.

54. The subject of a European armaments agency has been discussed in a recent Assembly document: The European armaments agency – reply to the thirty-ninth annual report of the Council, report submitted on behalf of the Technological and Aerospace Committee by Mr. Borderas, Rapporteur.

55. Source: Lehman Brothers.

310. European governments should not hamper the transnational consolidation of their defence industries. Political and legal barriers must be cleared. WEAG may have been a laudable initiative but, since its establishment almost two years ago, little progress has been made apart from the usual political declarations.

311. Arms co-operation can help bring down procurement costs, but in co-operative projects, the principle of fair return in individual programmes may have to be given up, being applied rather to a range of collaborative programmes. Squabbles in coming months and years over national workshares in vital co-operation programmes such as the future large aircraft, the only just-revived NH-90 helicopter and the Eurofighter 2000 will merely increase the cost of such equipment and will make Europe's defence industry resemble a three-ring circus rather than the lean and mean industrial base which is needed.

312. If European states are serious in their ambition to rationalise procurement on a European level, they may have to reduce the degree of national preference which they exercise at present in awarding contracts.

313. Implementing the decision taken at the Franco-German summit meeting at Mulhouse in May 1994, both countries are now settling the establishment, legal statute, working methods and internal organisation of the structure which will have to link them in armaments matters. Before the end of 1995, this will lead to the creation of a Franco-German armaments agency, which should manage co-operative procurement programmes such as the Tiger attack helicopter, the VBM light-armoured vehicle, the future large aircraft and possibly the Helios II reconnaissance satellite.

314. This Franco-German armaments agency could be the nucleus of a future European agency which still seems many years away.

XII. The need for more air-lift capability

315. Earlier Assembly reports have already emphasised the need for more air-lift capability in WEU member states if they want to enable WEU to intervene independently. The Gulf war and all recent humanitarian and peace-keeping operations have clearly demonstrated the serious shortfall in air-lift which has forced European nations to rely on the United States' air-lift capacity or to charter such means on the civilian market, often using Russian large transport aircraft.

316. Indeed, NATO has taken decisions which would make certain collective assets available to WEU if needed, but a distinction should be drawn between the collective assets of NATO and the national assets of member states of the alliance, in

particular the powerful resources of the United States. It should also be noted that there may be circumstances where, for a number of purely practical reasons, the United States will not be able to meet requests from its European allies.

317. The United States airforce's Air Mobility Command (AMC) has now limited its 241 C-141 Starlifters to 900 hours flying time per year in order to prevent these aircraft from reaching their expected lifetime prematurely. Moreover, the C-141 cannot accommodate many of the newer types of equipment.

318. The C-5 Galaxy fleet has an average reliability of under 75% but the 20 C-5s recently deployed in Europe, inter alia for support operations in Rwanda, had maintenance problems which kept 35-40% of them out of commission for the first two or three weeks.

319. The new C-17 programme, with an originally planned procurement of 120 aircraft, may be capped at 40 aircraft⁵⁶.

320. According to the Pentagon's 1993 bottom-up review, the United States armed forces should be able to fight two near-simultaneous major regional conflicts by 1999, but planned reductions in the defence budget are thought to create an important gap between air-lift requirements and capacity available by the end of this century⁵⁷.

321. European countries cannot afford to wait until it comes to the worst. They will have to take decisions in the near future if they want to have sufficient air-lift capacity to meet contingencies in the first decade of the next century.

322. A consortium of European aircraft manufacturers⁵⁸ is now developing a tactical transport aircraft, the future large aircraft (FLA), which is intended to replace existing fleets from 2002. This consortium has now decided to charge a military equipment subsidiary of Airbus with the development and production of the FLA, a positive sign in view of Airbus's good recent record in developing and marketing aircraft in a relatively short time. The intention is to provide customers with a fixed price, fixed specification programme to reduce the risk of cost over-runs. The consortium estimates that over the next 20 years there may be a market for 350 FLA in Europe alone.

323. As usual, up until now in European co-operative equipment programmes, the sharing of work in any FLA production depends on the financial commitments of the companies involved

and their respective governments, and the number of aircraft required by each specific country.

324. The feasibility study now being conducted in which France, Germany, Italy, Portugal, Spain and Turkey are participating, with Belgium and the United Kingdom as observers, will be completed at the beginning of 1995. This should be followed by the pre-development phase, culminating in the formal launch of the programme in mid-1997 through firm orders. First deliveries could then be made at the end of the year 2002.

325. The FLA, which would be able to meet the requirements of practically every WEU member state, would be an excellent method to unite these countries in research, development and procurement and could be instrumental in bringing together European aircraft manufacturers to meet the challenge of the United States' defence industry.

XIII. The establishment of an independent European satellite system

326. As is known, the WEU Council has asked the Space Group to prepare, for its spring 1995 meeting, a proposal for decision to set up an independent European satellite system. This proposal should also include a draft memorandum of understanding containing the detailed specifications to be concluded between the present WEU member states.

327. The industrial studies which were conducted under the supervision of the (so-called) Study Management Team, chaired by Mr. Leonardo Gagliardi, have concentrated on the technical aspects of satellite system concepts providing optical, infra-red and radar imaging capabilities. Comparisons have been made between satellite system concepts and programme steps with respect to capabilities, cost, development timescales and risks. There can be little doubt that these studies offer a sound basis for the Space Group to prepare a proposal for decision by the Council.

328. An important question still to be addressed, however, is which organisation will be responsible for managing the establishment of an independent European satellite system. This, in itself, is a complicated task, requiring specialised knowledge. The limited size and human resources of the Secretariat General of WEU in its present state would certainly not be able to accomplish this task.

329. Another question, closely related to the creation of a satellite system and to be addressed urgently, is the establishment of a proper common European intelligence policy, which is a vital prerequisite for a European security and defence policy. It would be unwise to leave this question open, because of the many problems which it may

56. Jane's Defence Weekly, 10th September 1994.

57. Jane's Defence Weekly, 21st May 1994.

58. The consortium consists of Aérospatiale (France), Alenia (Italy), British Aerospace (United Kingdom), CASA (Spain) and Deutsche Aerospace Airbus (Germany) with FLABEL (Belgium), OGMA (Portugal) and Tusas (Turkey) as associated partners.

indeed evoke, one of them being the need for a European electronic intelligence satellite.

330. The sudden and short-lived crisis in early October last when Iraq began a massive deployment of armed forces near its border with Kuwait, is the most recent illustration of the apparent shortcomings in this field. At that time, the United States raised the alarm and responded by immediately sending tens of thousands of troops and supplementary equipment. In the absence of proper intelligence-gathering equipment such as sufficiently high performance earth observation satellites, European countries had no choice other than to believe what the United States told them, using among other things a selection of their own satellite images.

331. In this framework, it should also be recalled that the NATO air command and control system (ACCS)⁵⁹, an automated command and control system, combining the control of air defences, offensive air and air support missions, does not include the essential fields of intelligence and threat evaluation. For these fields, ACCS, at a cost of \$25 billion over 15 to 20 years, to be financed by NATO infrastructure funds and individual NATO member states, will have to rely on information provided by the United States.

332. Altogether, there are enough reasons to study the political and military aspects of a truly common European intelligence policy without delay.

XIV. Conclusions

(a) The transformation of NATO

333. The transformation of NATO initiated with the London declaration of 1990 has since continued. NATO has become a more politically-oriented organisation. Any enlargement would be a revolution in the European geopolitical balance which cannot take place without further fundamental conceptual and structural changes.

334. When implemented, the decisions taken at the Brussels summit meeting of January 1994, will establish a new balance in the alliance between Europe and North America. This may still be difficult to achieve since the United States, having accepted a strengthening of Europe's defence identity, will not easily share the highest responsibilities in the alliance.

335. A real European defence policy can exist only if Europeans have the military means needed to act together with their transatlantic allies accepting to intervene out of the NATO area, or to act alone with their own forces, possibly reinforced

with NATO assets placed at the disposal of WEU with the agreement of the United States. To this end, the Brussels summit meeting has developed the concept of combined joint task forces (CJTF) opening the possibility of separable but not separate forces and enabling European forces to operate efficiently without the participation of the United States.

336. The implementation of the CJTF concept is taking longer than expected but final decisions are expected to be taken in late spring 1995.

(b) The rôle of the CSCE

337. Immediately after the collapse of the Berlin wall in 1989 and the signing of the Paris Charter in November 1990, expectations of the CSCE's rôle in maintaining peace and stability in Europe have been far too high.

338. Russia's recent proposals to make the CSCE the umbrella organisation for European security to which all others, including NATO, would be submitted would not be the right solution for anybody.

339. It seems, however, that the CSCE can play a useful rôle in conflict-prevention for which appropriate mechanisms have been developed. In this framework, the rôle of the High Commissioner on National Minorities should not be underestimated.

340. The conclusion of a European stability pact, possibly in 1995 and now being negotiated at various regional round table conferences, will be another important part of the CSCE conflict-prevention mechanism.

(c) Russia

341. The situation in Russia is bound to be a determining factor for Europe's security. Nobody would venture that at present, or in the foreseeable future, Russia poses a serious threat to Central or Western Europe. On the other hand, there is no denying that the process of transforming Russia into a market-oriented democracy is taking place in a context of political instability and economic crisis which are both equally disquieting. In Russia, the armed forces have traditionally been a reliable instrument under full control of the political authorities and, in general, this is still the case. Increasing pressure on the defence budget, however, is causing growing dissatisfaction in the armed forces and this could be exploited by nationalist extremists. At the moment, defence expenditures are lacking transparency and this is causing serious shortcomings in democratic control of the military budget, which is still taking too large a share of the overall federal budget. A strong Russia will suit Europe's security, but it should be a democratically-

59. This subject has already been dealt with in Document 1229.

controlled constitutional state, where human rights and rights of minorities are fully respected. Understandably, Russia wishes to develop a close relationship with its neighbouring states in the framework of the CIS, but this should not lead to a restoration of imperialism with its negative aspects of blackmail and divide and rule policy. Because of its factual status of nuclear superpower, Russia is entitled to a special relationship with the United States, but this should go hand-in-hand with close practical relations with European states, on both a bilateral and multilateral level. Russian membership of the Council of Europe is a fully-justified prospect, provided the conditions are met, but membership of the European Union, WEU or NATO is out of the question. On the other hand, these organisations should make sure that they entertain the closest possible relations with Russia on a permanent basis.

342. There is no doubt about Russia's intention to dismantle its nuclear weapons as agreed in START I and START II, but little progress is being made because of technical and financial problems. Russia should accept western assistance in this area.

343. Although it is recognised that Russia is not the only possible source of illegal trade in nuclear material, no counter-proliferation policy can be successful without its full participation.

(d) The Baltic states

344. By now, the independence of the three Baltic states is fully confirmed and after many initial problems also recognised by Russia, which is aware that any infringement of their sovereignty would be considered by western states as an act profoundly destabilising to Europe's security. These states are facing numerous problems in their efforts to build credible armed forces for which they need help from Western European states. This process has now been started and necessary agreements have been or are being concluded.

345. Notwithstanding these positive developments, it should be recognised that, for their security, they will always be dependent on good relations with Russia and political and military protection from other states. They have signed up for NATO's partnership for peace and are associate partners of WEU. On the other hand, they have not been included in the list of the next six candidates for European Union membership which has recently been made public, nor have they been included in the list of candidates for a possible enlargement of NATO. It is understood that, in relations with the Baltic states, delicate diplomacy is required vis-à-vis Russia, but they cannot be left on their own. WEU will have to make sure that they are included among its members as soon as the six Central European coun-

tries join the European Union and, as a consequence, WEU.

(e) Risks and threats to European security

346. There is no need to repeat the rather long list of possible risks and threats to European security; it is well known, although it does not always seem to be taken into account. In some cases the threat may be immediate, others are less explosive and of more remote importance. Two regions at Western Europe's frontiers stand out: the Balkans and the southern Mediterranean.

347. In the Balkans, the Bosnian conflict is still a subject of daily concern for all countries involved in one way or another. The risks of escalation and of extension of the conflict to the rest of the Balkans with possible intervention from neighbouring countries can still not be excluded. Strained relations between NATO and the United Nations, between European and transatlantic allies and between different members of the contact group over the policy to be followed, air strikes and other issues are practically always the order of the day. If finally the arms embargo against Bosnia is lifted, it may well lead to chaos and the United Nations blue helmets will have to withdraw in extremely difficult circumstances and the conflict will continue. If, on the other hand, a final ceasefire is concluded, a huge peace-keeping operation, requiring more than 50 000 troops will have to be set up. Europe should be better equipped and prepared to prevent such conflicts.

348. As regards the southern Mediterranean, it is indeed extremely difficult to control developments but Europe cannot afford to neglect a situation which might threaten its exposed under-belly. The establishment of a cautious dialogue, ideas to create a Conference on Security and Co-operation in the Mediterranean (CSCM) and the perspective of a special relationship with the European Union in the next century should be welcomed, but that is not enough. It is also important to establish a European humanitarian intervention force and to accelerate the setting-up of an Italian-Spanish-French aero-naval force.

349. Close relations with Russia at all levels, both bilateral and multilateral, must be established and maintained in order to prevent Russians feeling isolated. At the same time, a way must be found to agree, with them, on the most appropriate way of peace-keeping in Russia's near abroad, without turning this into a new source of conflict or new imperialism.

(f) WEU

350. By now, it is generally accepted that, in order to face future risks and threats to its security, Europe must shoulder more responsibilities in

defence and security and create a real European defence identity reinforcing its operational capabilities. However, this is easier said than done.

351. In the Maastricht Treaty, WEU is asked to elaborate and implement decisions and actions of the European Union which have defence implications. This leads to fundamental political questions such as whether in defence matters the European Union can take autonomous decisions, independently from NATO and the United States. There is also the question of how the European Union and WEU will handle defence matters if, inevitably, they have different membership. Will WEU be able to remain autonomous in its own specific field of action? Will future WEU member states have to be NATO members in order to be protected by the security guarantees of the modified Brussels Treaty? If no unequivocal answer is found to these questions, there will never be a European defence policy.

352. Some of the abovementioned questions, in particular those regarding the relations between WEU and the European Union with their different membership and different authority, could be solved if both were prepared to consider the idea of a joint European Security Council.

353. A European defence policy also depends on the availability of the military means needed for Europeans, either to act together with their transatlantic allies outside NATO territory, or to act alone with their own forces, reinforced with collective assets of the alliance on the basis of consultations in the North Atlantic Council. In this framework, implementation of the CJTF concept is of crucial importance for Europe's defence identity.

354. The establishment of a valid European defence policy will have to go hand-in-hand with a reinforcement of WEU's operational capabilities. A prerequisite is for the Ministerial Council to give up its extreme caution and gradually develop WEU into a decision-making centre rather than limiting itself to the rôle of a security organisation, waiting for others to act. In this framework, the Council should also vest the Secretary-General with more power. At present, too many subjects are dealt with in ad hoc working groups. The Secretariat-General should be extended in order to make more knowledge directly available to the Council, thus enhancing its performance and efficiency. Following the example of the Planning Cell, a permanent "Think Cell" should be created which could contribute to the development of European strategic thinking.

355. The staff and equipment of the Planning Cell should be increased in order to transform it into a headquarters for European co-ordination. In its present state, the Planning Cell lacks the capacity to act in a crisis situation such as Rwanda.

356. Supporting the non-proliferation initiative taken at NATO's Brussels summit meeting in January 1994 and co-ordinating European efforts in this field, a nuclear non-proliferation research and monitoring centre should be created at WEU level.

357. A fully-fledged European satellite intelligence system will have to be established in order to provide Europe with the intelligence needed to make an independent judgment on crisis situations and, if needed, take its own decisions. The WEU Satellite Centre in Torrejón, if employed in an appropriate manner, could be a first step towards a satellite system which can be achieved only through European co-operation.

358. There is an urgent need to establish a European humanitarian intervention force and to accelerate the establishment of the air and naval intervention force composed of French, Spanish and Italian units announced earlier.

359. The various multinational forces which have been or are being established such as the allied rapid reaction corps, the Anglo-Dutch amphibious force, the European corps and others, should prepare the best possible co-ordination in case they are needed for operations on a European scale. Such co-ordination between different intervention units in Europe should result in the establishment of a European rapid reaction force.

360. For all these forces, European nations will have to provide logistics and, in particular, appropriate air-lift capacity. The future large aircraft, a co-operative project which includes the major European aircraft manufacturers, could meet existing needs in this important area. This programme should be given the support it needs so that the first aircraft might be delivered in the early years of the next decade.

361. Co-operation in the European defence industry needs to be further developed. The establishment of a European armaments agency must be accelerated in order to combat American competition and achieve standardisation of the equipment of European forces such as the European corps.

362. Finally, WEU must make a common analysis of the new security situation, taking into account the work of the "Think Cell" proposed in paragraph 354 of the present report. This work should be given a new dimension, as proposed by the French Prime Minister, Edouard Balladur, by progressively including WEU's associate partners in the analysis. It should lead to the drafting of a white paper on European security, to be submitted to a summit meeting of European heads of state and of government of all the countries concerned. Approval of this white paper would be the first evidence of European solidarity in defence matters.

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