

TOWARDS EUROPEAN STRATEGIC AUTONOMY?

PERSPECTIVE FROM CENTRAL AND EASTERN EUROPE

The lack of common but necessarily sensible and stable strategic approach for the EU's future may lead to further erosion of the region's global position and assertiveness. Within the framework of GLOBSEC's project, Global Europe: Are the EU Member States Ready for It, these warnings were among the few highlighted from the perspectives of Members of the European Parliament that represent Central and Eastern Europe.

The debate over the European strategic autonomy is intensifying. Strategic autonomy itself, however, remains somewhat vague, with no clear definition nor strategy for implementation. If the EU wants to achieve any type of strategic autonomy, it must bridge the diverse understandings and expectations.

First, strategic thinking is essential, and the EU must strengthen a number of policy areas and actions. These include activities in the neighbourhood, crisis management, and the rescue mechanism. As threats in the region approach, Europe needs to start building a new, unique approach to defence and security. The EU must leverage its strengths with its current transatlantic relations, especially with the new US administration, as well increase its assertiveness to levels similar to Russia and China.

Secondly, the MEPs acknowledged the need to address European capabilities, before discussing strategic autonomy. European strategic autonomy should be built on steady foundations. The EU is still lagging behind in many areas related to capabilities where projects tend to stagnate or are underfunded. The most notable of these projects are the internal market (which is at the core of European integration), the digital single market, the monetary union, or transport, just to name a few. Specifically, the EU is still too dependent on energy, with more than 50% imported, and Russia as its main supplier. Another lagging project is the Capital Markets Union, the importance of which is even more amplified vis-à-vis the crisis, is not complete. Without a well-functioning capital market, investment in innovation and new technologies is not sufficient.

Thirdly, while the EU was historically built on economic cooperation, current barriers remain imposed on the internal markets. Within the single market, the primary barrier is the free movement of services, which account for 70% of all economic activities. As for the digital single market, the EU is still far behind on having an integrated market. There are administrative, normative, and language barriers, which restrain start-ups and young entrepreneurs in becoming competitive on European and subsequently global levels. European markets hold a large potential for the EU, and thus should be given the according significance.

Fourth, the European economy is driven by both the market forces of supply and demand and corporate decisions. The functioning of the European market conflicts with the goal to reach a certain economic strategic autonomy. The interconnectedness and interdependence of the global world leave no room for this type of economic autonomy. Instead, strategic sectors, technologies, and resources should be identified to ensure the readiness of the EU to deal with future crises. Securing the supply and production of essential commodities for the identified strategic sectors is the way to reach a stable, secure, and resilient Europe.

Fifth, strategic autonomy must not be mistaken as strategic isolation within the EU nor by external partners. In the realm of defence, the EU is not capable to safeguard its security on its own. NATO remains the starting point, under which European capabilities are welcomed to be developed. From the perspective of the CEE countries, many of which are border states, keeping NATO alive is crucial. This is evident since Poland, Estonia, Lithuania, Latvia, Romania and Slovakia now all meet the required spending threshold. Strategic cooperation and constructive dialogues are also vital in other areas with other like-minded partners on the global scene. Developing new technologies, especially in the digital world, is a potential for the EU to cooperate on creation of standards, ethical frameworks, identification of risks, and threat perception in order to create stable global alliances.

Lastly, the EU has to be pragmatic and realistic in its goal setting. Improving internal cooperation is a necessary element on the way towards the reinforcement of the EU's global position. This includes public diplomacy, recognition of the differences and strengths of each member state, and a bolder acknowledgement of the successes and results of common EU policies. In this context, CEE needs to find its own creative thinking within the EU, where it can adapt itself to new realities.

KEY RECOMMENDATIONS:

- ▶ Forging a new European strategic approach, especially in foreign policy.
- ▶ Building European capabilities to deal comprehensively with current and future crises plaguing the region.
- ▶ Concentrating on strategic cooperation with like-minded partners, instead of seeking the strategic autonomy from scratch.
- ▶ Investing more into technology and innovation, on both European and national levels.
- ▶ Completing the capital market union, the single market, and the digital single market, in particular, lifting all the remaining barriers.
- ▶ Focusing on clear rules and maintaining a friendly business environment, rather than shortening of the supply chains. The free market should not be driven by political decisions.
- ▶ Identifying key sectors, and subsequently securing their supply and production in the case of future crises, to ensure stability, security, and resilience of the Union.
- ▶ Improving the internal cooperation and common standpoints, in order to set pragmatic and realistic goals for the future.
- ▶ Recognising the diversity among the EU, in order to use the individual strengths of the member states and finding a more daring voice when accounting for the success of the EU policymaking.