

## **EU Budget and EU Militarisation**

The budget of the European Union is quite modest compared to the national budgets of its member states.

This is mainly due to the fact that social, educational and defence policies are not within the competencies of the Union, and are instead financed from national budgets.

In the EU budget the payments are less than 1 per cent of the common Gross National Income (GNI).

The Council and the Parliament do not have a free hand in deciding on the expenditures of the budget. Every individual budget line has to have a legal base, a former decision on the distribution of money for that given purpose. The legal base is defined by the Council and only in a limited number of matters by co-decision with the Parliament.

The Common Foreign and Security Policy (CFSP) is laid down in the second pillar of the existing basic treaties, and so it is not in the competence of the Union as a whole. There is no legal base for financing the military expenditures from the EU budget.

The CFSP is in the full competence of the member states. If decisions are made in this field in the ministers' councils, they need to be made unanimously. The financial decisions which have a military dimension cannot be made even unanimously.

Thus, if the Council makes a decision on a common military operation, it must be financed by the member states from national budgets.

The Athena process (Athena as in the goddess of war in Greek mythology) defines the way in

which military operations are operated outside the EU budget.

The costs incurred for crisis management operations are financed by every participating country from its national budget.

In February 2004 member states decided, however, that there are common costs that need to be financed together. They decided on how to distribute and administrate the common expenditure, which cannot be financed from the EU budget. The proportional share of the Athena burden was negotiated, and for instance, Germany pays 20,18 % of the common expenses.

The Athena mechanism has been used to cover the common costs of the EU's Althea operation (in Bosnia-Herzegovina 2004-) and the EUFOR RD Congo operation (in the Democratic Republic of the Congo, carried out in 2006). By the member states' decision the Athena mechanism funds have also been allocated to finance the EU operation that supports the African Union's AMIS crisis management operation in Darfur, Sudan.

In 2006 the Athena budget in total was about 60 million euros, and the planned distribution of this sum was as follows: Althea operation 43 million euros, EUFOR RD Congo operation 16,7 million euros and EU's aid to the AMIS operation 1,1 million euros.

In December last year the member states also decided that the transportation of the new in-call EU battle troop components to their operational areas will be financed in 2007-2008 from Athena.

There is a kind of 'grey zone' in the democratic control the common money used for these kinds of military purposes. The European Parliament has not competence for duly monitoring the money the member states use outside the EU budget, and for every individual parliament of the member states it is even more difficult to get the relevant information regarding this money. If the governments work together by mutual consent without any common organisation, there is no democratic control.

The Athena mechanism is the beginning of the gradual financing of the militarisation of the Union.

In the future, common expenses of even the most adventurous military missions will be financed from the EU budget in the name of common interest.

The legal base for such a change in policy is provided in the new EU Constitution (or "the Reform Treaty", or Lisbon Treaty). It is a fundamental law that has primacy over the own laws of the member states.

In the new treaty, the Common Foreign and Security Policy is extended to include also Defence Policy - which does not mean only defence but also offence.

The word "defence" represents in most member states all kinds of spending on armaments and military resources, and this spending needs not be only defensive in nature. It needs not only be meant to be used against an aggressive intruder within the borders of a country, but it can be used for military operations as far as 6000 kilometres from the EU borders.

According to the Lisbon Treaty every member state has to commit itself to giving security guarantees to all other member states. These collective EU guarantees resemble the security guarantees of article V of the North Atlantic Treaty establishing NATO. When, in practice, the promises are fulfilled to meet with NATO resources, the new constitution could be referred to as NATO-compatible.

To crown this militarisation of the Union and to further increase its military spending for the most demanding tasks of combat forces, the operations of the EU (-countries) may be illegal from the point of view of international law. According to the new constitution, EU operations do not need a mandate from the United Nations. Thus, in the future, the EU is unilaterally proclaiming its own right to use combat troops in illegal attacks.

The implementation of the military commitments is monitored by the new European Defence

Agency, an EU agency.

In the constitution, the member states commit themselves to increasing their spending on armaments and military resources. It is difficult to imagine any other federal constitution in the world which includes a commitment to ever increasing military spending.

The new constitution gives the European Parliament a bigger say on budget matters also in the area of foreign, security and defence policies. In the future, every budget decision must be made in co-decision with the Parliament.

The constitution extends the powers of the Parliament in the militarisation process of the Union. It is difficult, however, to imagine the European Parliament as a more peace orientated institution than the member states' governments. The Parliament is, in practice, dominated by the representatives of the parties which govern the member countries.

In the EU budget the heading "external actions" does not cover military expenses, so far. In this heading 7 000 million euros are allocated for the purposes which can be thought to serve foreign and security (but not yet defence) ends. This money is mainly distributed by the Commission according to the existing legal bases.

There has been an ever increasing need in the Council to increase its spending of EU money for militarisation purposes of the Union through the grey zone - from the viewpoint of democratic supervision, control and auditing - of the EU budget.

The Council is eager to increase the money used for the CFSP financing. In the budget for the year 2008 it was agreed that about 285 million (of the whole of 120 000 million) would be used for such (even paramilitary) purposes.

The Athena mechanism and financing of the CFSP expenses from the EU budget are the beginning for the militarisation of the European Union. The new legal base written in the Lisbon Treaty extends the NATO compatible military activities of the Union and makes it possible to finance them from the EU coffers.