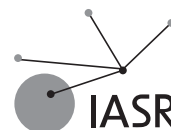




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Article

European Union's Strategic Posture in a Competitive World: Rethinking the Common Security and Defence Policy (CSDP) in the Age of Global Rivalry

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Abstract

As global strategic competition intensifies—driven by Russia's aggression in Ukraine, China's growing influence, weakening confidence in US commitment, and transnational threats—Europe faces pressure to enhance its security and defence capabilities. This paper critically examines the EU's Common Security and Defence Policy (CSDP), assessing its ability to support Europe's ambition for strategic autonomy. Using a mixed-methods approach combining qualitative policy analysis and quantitative data analysis, the study evaluates the EU's defence mechanisms, institutional frameworks, and alignment with global security realities. While the CSDP has fostered cooperation, its capacity to safeguard European security remains limited by political fragmentation, resource gaps, and insufficient military capabilities. Analysing key elements like PESCO, EDIRPA, the European Peace Facility, the Macro-financial Assistance Instrument, the European Defence Fund, and the Act in Support of Ammunition Production, the paper highlights both strengths and significant shortcomings in achieving a coherent and autonomous defence posture. It proposes a framework to understand EU security challenges and offers policy recommendations for institutional reform, enhanced coordination, and a clearer strategic vision. This study contributes to the discourse on Europe's defence autonomy amid rising geopolitical competition.

Keywords

European Union, Strategy, Defence and security, Geopolitics, Competition

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Introduction

In recent years, the European Union finds itself questioning its role in the rapidly changing security environment. With the Russian aggression on Ukraine, once considered embedded security guarantees and security frameworks have been abolished. The traditional transatlantic partnership in the form of the North Atlantic Treaty Organization (NATO) has, since its establishment in 1949, served as a security guarantee for the European continent. Nowadays, and especially considering the weakened transatlantic security framework, Europe needs to strengthen its own strategic posture in the world.

Positioned geographically and symbolically between global powers, Europe finds itself questioning its traditional role as a normative power. Weakening of the transatlantic partnership, and security gaps this brings, could serve Europe as a wakening call during this age of global rivalry. Europe has, since the beginning of the 21st century, evolved and somewhat strengthened its security and defence policies trying to pursue its strategic autonomy, but still heavily relying on NATO for the continent's security. By pursuing strategic autonomy and cooperating with other actors while doing so, Europe is positioning itself not as an isolated entity, but as an actor that still emphasizes the importance of navigating through global affairs alongside like-minded partners (Rekowski, 2025, p. 256). However, will that be enough? Especially since like-minded partners are not so alike anymore. A systemic challenge is posed in front of Europe, and the future of Europe depends on its response. In times of occasional conflicts that were of smaller global impact, Europe had the luxury to rely on its main power - the export of norms when shaping its strategic posture. Today, Europe needs to construct new power mechanisms on which it can rebuild its strategic posture in the world. It is no secret that Europe suffers from a "capabilities-expectations gap" and lacks in military capability (Knutson, 2022; Rekowski, 2025). After the start of the war in Ukraine, however, some decisions have been made at the EU level that mark historic and unprecedented actions as, for example, the joint decision to finance the delivery of weapons to a partner country. Nonetheless, European security has remained an unfinished project. This paper therefore aims to answer the following research question: Can the EU, by rethinking the CSDP, reposition itself as a hard power actor amidst the changing security environment and weakening of the traditional transatlantic security framework?

After this brief introduction, the research will continue by reflecting on the European strategic posture while theorizing "normative power Europe" theory as proposed by Ian Manners. The EU has so far always been portrayed as a normative power that heavily relies on its main ally, the United States, to fulfil its hard power shortcomings. The Common Security and Defence Policy (CSDP) introduced a framework within which the EU can work on strengthening its hard power mechanisms which have proven to be of great importance in today's age of global rivalries. Therefore, it is necessary to examine the evolution of the CSDP and the significance of the concept of strategic autonomy in the EU, while taking into consideration all defining contexts during which they evolved. By combining a mixed-method approach using qualitative policy analysis of the main policies within the CSDP and comparing available quantitative data; the research aims to show if the rethinking of the CSDP could reposition Europe as a global actor in the world. The mentioned quantitative data analysis is necessary to see if the evolution of the CSDP had a real impact on the EU level and on individual member states when it comes to defence spending and the development of the defence industry. The changes in defence spending cannot be attributed to NATO's 5% GDP commitment, since this was agreed upon during the NATO Summit in the Hague in June 2025, and therefore cannot explain the changes that preceded this decision. The goal of the paper is to show if the CSDP could play a crucial role in enriching

Europe's strategic posture in the world. The Discussion part of the paper will present the main challenges to this endeavour and conclude the main findings of the paper.

Europe as a normative power struggling with its security

The question of European strategic posture in the world has been a constant topic within European studies (Rekowski, 2025, p. 251). While trying to see how Europe can redefine its position as a global actor amidst the changing security environment and weakening of traditional security guarantees it is important to see how different authors have viewed the European strategic posture. The following section will therefore reflect on various concepts of European exertion of power while emphasizing "normative power Europe" theory.

European Strategic Posture – 'Normative Power Europe'

When it comes to explaining the European role in the global arena, the main challenge that occurs is the fact that the EU is indeed not a state, but a *sui generis* international organization behaving state-like (Rekowski, 2025, p. 251). However, there have been numerous contributions when it comes to explaining the character of the power of Europe. Some refer to Europe as a civilian power (Telò, 2006), some as a market power (Damro, 2012), others as an ethical power (Aggestam, 2008), while some see it as a normative power (Manners, 2002). Due to the broad definition behind the normative power of Europe, which in many ways embodies all the other said powers, it is in the authors' opinion, the most relevant and precise definition of what Europe based its international role on.

Manners conceptualizes normative power as being: „ideational, involving principles, actions and impact, as well as having broader consequences in world politics” (Manners, 2009, p. 11). Principles within normative power are the five main norms evident in EU's exertion of power: peace, liberty, democracy, the rule of law and human rights (Manners, 2002, p. 242, 2009, p. 12). Action refers to responding to challenges of structural nature through crisis management and conflict prevention policies and through positive and negative conditionality (Manners, 2009, p. 13), especially evident in the enlargement policy. When it comes to the impact of normative power and the consequences it has in world politics, some argue that normative power is not understood nor acknowledged outside of EU's borders which leads to Europe being taken seriously in international relations only by Europeans (Gerrits, 2009, pp. 1-6). According to Manners (2009, pp. 21-22) the EU should build its *raison d'être* through the fostering of peace and promoting progress and prosperity. However, he wrote this during a period of relative stability when Europe had the luxury of focusing on these topics and in times where Europe's normative (soft) power existed only thanks to America's hard power (Gerrits, 2009).

Nowadays, Europe is no longer operating in the same world, and its traditional diffusion of normative power is no longer sufficient to keep itself afloat. Europe is now compelled to redefine its identity and rethink its capabilities, especially in the security and defence sectors. In an era of great power contestation, power politics and its hard power elements are becoming increasingly important. Hard power, as defined by Joseph Nye, is the ability to influence others through military force, coercion and other quantifiable terms, in the context of economic and military powers (Nye, 2004, pp. 7-10). It can be said that the EU has faced a critical juncture, especially now with the nature of the transatlantic partnership changing. According to the National Security Strategy of the United States of America from November 2025, the US is „ending the perception, and preventing the reality, of NATO as a perpetually expanding alliance” (The White House,

2025, p. 27). The prospect of a gradual U.S. withdrawal from this decades-long partnership may create a European security deficit that the EU and its member states would need to address (Knutsen, 2022, p. 166). Knutsen argues that only by strengthening the EU-NATO relationship can Europe build its strategic autonomy (Knutsen, 2022, p. 166). One can, however, ask, how can Europe be strategically autonomous while still heavily dependent on NATO? And how can it remain in a partnership with a partner who no longer wishes to be one? What remains is for Europe to strengthen its strategic autonomy through alternative security frameworks like the CSDP. European strategic autonomy is a pivotal concept that shapes policymaking in the EU while focusing on the EU's capacity to operate as an autonomous international actor. Developing strategic autonomy, especially in hard power activities, will show if Europe can be a self-standing actor in its external action. The war in Ukraine could serve Europe as a critical juncture in developing this concept. It made Europe rethink its security posture as well as its defence industry. Recent unprecedented decisions have demonstrated that Europe is seriously rethinking its strategic posture. Change is an essential feature of normative power EU that manifests itself through the change of 'others' (Gerrits, 2009, p. 5). Now, a time has come when others are changing Europe.

History of Europe's Common Security and Defence Policy

To develop its strategic autonomy, Europe needs to strengthen its Common Security and Defence Policy. Therefore, it is necessary to see how has Europe and under what circumstances come about the current CSDP.

After the Cold War ended, the character of European integration had significantly changed. The Maastricht Treaty, signed in 1992, was primarily a political response to the end of the Cold War and to the unification of Germany. Germany, already somewhat monetary dominant in the Community, has become unified and the question of a powerful Germany in the centre of Europe was once again opened. In addition to the creation of the euro, the Treaty created the pillar structure of the EU. The three pillars that constituted the EU were: the pillar of European Community; the Common Foreign and Security Policy (CFSP) pillar and the Justice and Home Affairs pillar. The Maastricht Treaty was followed by the Treaty of Amsterdam which was signed in 1997. The Treaty expended the powers of the European Parliament, by extending the co-decision procedure and, among other reforms, introduced the role of the High Representative for the Common Foreign and Security Policy, thereby strengthening the EU's capacity to act internationally. During the 1990s, the CFSP was criticized for not being able to follow words with action. The important turning point for the CFSP was the Saint-Malo declaration in 1998, when Great Britain and France decided to push for a more independent security framework for the EU. The Cologne European Council in 1999 marked another turning point in the development of the EU's defence policy, as EU leaders committed to strengthening the EU's capacity for autonomous action, and readiness, thereby laying the foundations for the CSDP. The CSDP, part of a larger foreign policy framework under CFSP, has shifted its focus from European to global affairs. In addition, it shifted from focusing on military crisis management operations to conducting civilian stabilization operations (Bickerton et al., 2011, p. 4). There have been many operations launched under the CSDP that varied in size, nature, and level of autonomy. However, there have been numerous times when the EU failed to intervene, due to lack of resources and the mentioned 'expectation-capability' gap.

Attempting to enhance its capabilities, the EU launched the 1999 Helsinki Headline goal that enabled it to deploy 50,000-60,000 troops at 60 days' notice. This was not achieved, rather it was reformulated through the creation of the European Defence Agency (EDA) in 2004. The initial

ambitious numbers were replaced with 1,500 troops deployed within 15 days (Bickerton et al., 2011, p. 6). After the end of the Cold War, due to fragmentation of research and development, European military technological capacities could not compete with the American (Bátora, 2009, p. 1076). EDA is meant to support the EU Member States in boosting their security and defence capabilities while cooperating with one another. Even though EU member states are advised to buy 'European', the best quality still comes from the US. This enhances disparities in military equipment among the member states and reinforces inoperability (Bátora, 2009, pp. 1088-1089).

Fast forward to 2016, when Europe was still recovering from a cascade of crisis, the EU Global Strategy (EUGS) was introduced. EUGS replaced the outdated European Security Strategy (ESS) from 2003. The tectonic shifts in the security environment in 2016 have shown that the security threats outside of EU borders have indeed spilled over to the EU in forms of migration, terrorism and transnational crime (Zandee, 2016, pp. 25-26). It was recognized that the scope of operations under the CSDP needs to be widened from the initial CSDP Petersberg tasks that were mainly focused on peace-keeping and humanitarian operations. The EUGS aims to strengthen the Union from within as a security community that is capable and resilient (Mälksoo, 2016, p. 379). Although Europe's security framework has grown over time, the EUGS showed that the Union is concerned about its strategic posture in the world and is struggling to implement its mandate of keeping peace within and outside of the EU (Mälksoo, 2016, pp. 380-381).

This overview of the EU's CSDP has shown us that Europe has been rethinking its strategic posture in the changing security environment for some time now. Since the end of the Cold War there have been significant efforts to develop EU's defence sector that would enable Europe to act more autonomously in its foreign and security policy. What remains to be seen is whether the CSDP can translate these institutional developments into effective operational practice, complementing the EU's established normative role.

Research Design

The following research will combine a mixed-method approach using both qualitative and quantitative data in order to confirm the following hypotheses:

The CSDP could play a crucial role in enriching Europe's strategic posture in the world. By rethinking the CSDP, the EU could shift toward a more balanced approach, reinforcing its normative role while simultaneously becoming a more capable hard power actor.

The qualitative data analysis will focus on the policy analysis of key policy developments that were operationalized in the post-2022 context, after the start of the war in Ukraine. The first will be the Permanent Structured Co-operation (PESCO) and EDIRPA that have been important for fostering joint procurement projects. The following will be the European Peace Facility (EPF), that was used for financing lethal weapons deliveries to a third country after 2022, as well as the Macro-Financial Assistance Instrument (MFA). Although MFA is not formally a CSDP instrument, the MFA and CSDP often operate side-by-side in crisis regions. In this way, MFA illustrates the EU's ability to project power through economic means and is therefore of great significance for the analysis. This development marked an unprecedented moment for the EU, signalling a shift away from its historically civilian-oriented approach to crisis management. The last to be analysed will be the European Defence Fund (EDF) and the Act in Support of Ammunition Production (ASAP). The listed units of analysis were selected instead of other EU strategies and mechanisms since they operationalize the EU's transformation from exclusively

normative to increasingly hard power projection. Even though some of these instruments were introduced in the pre-war period, they remain relevant for assessing whether the war in Ukraine served as a critical juncture for the EU's policy developments.

To complement the qualitative data analysis, a quantitative data analysis will be conducted to see if the institutional change engendered measurable material change in terms of hard power. The quantitative data analysis will derive from the data available from the official EDA website, SIPRI Military Expenditure Database and the Aerospace, Security and Defence Industries Association of Europe. These databases were chosen since they show if the transformation from solely normative power to increasing hard power projection was significant in three domains: member state's defence spending, defence integration at the EU level and industry capacities in the defence sector. Since the focus of the paper is the CSDP and to avoid redirecting focus to NATO, NATO databases were not included.

By conducting a contextual qualitative data analysis of the main policy developments, we will examine if the rethinking of the CSDP can enhance EU's capabilities for becoming a hard power actor, while simultaneously reinforcing its normative role. The quantitative data analysis will show if the CSDP could play a crucial role in enriching the EU's strategic posture in the world.

Rethinking the Common Security and Defence Policy Amidst Global Rivalries

Around 34% of Europeans think that security and defence are areas that should be a priority for the EU (European Parliament, 2025). According to 36% of Eurobarometer respondents, the main area on which the EU needs to focus in order to consolidate its strategic posture in the world is defence and security (European Parliament, 2025). The approval of EU's citizens created a favourable environment for the policy makers to assist Ukraine and to strengthen the EU's defence capabilities.

Following the steps of the aforementioned EUGS from 2016, a Strategic Compass for Security and Defence was adopted in 2022 in the wake of the Russian aggression on Ukraine. The language of the original draft from 2021 was revisited after the full-scale invasion of Ukraine. This action plan signified the first joint assessment of common threats for the EU, which was a big step in rethinking common security (Blockmans et al., 2022, p. 2) and has shown that normative values have played a crucial role in the EU's collective support for Ukraine. The war in Ukraine has changed the way Europe thinks of security and takes responsibility in dealing with threats while pursuing strategic autonomy (Michaels & Sus, 2024, p. 383).

The Strategic compass showed that the return of power politics was perceived as a threat by the EU. The war in Ukraine has served as a trigger that made the EU rethink its security framework and take more courageous steps in integration in the fields of security and defence. The following text examines the ways in which the EU addressed CSDP in times of crisis and if this strengthened the EU's strategic posture in the world.

Permanent Structured Cooperation (PESCO) and European Defence Industry Reinforcement through Common Procurement (EDIRPA)

The year 2017 marked a significant step in the development of the EU's Common Security and Defence Policy (CSDP). In December 2017, the Council of the European Union launched Permanent Structured Cooperation (PESCO), a framework enabling participating member states to deepen defence cooperation and jointly develop military capabilities. Established under

the Lisbon Treaty, PESCO brought together 26 participating states (with Malta being the only EU country outside of PESCO) committed to strengthening defence coordination, improving capability development, and enhancing the EU's capacity to act as a security provider. The initiative represented one of the most concrete institutional advances in EU defence integration since the creation of the CSDP (Biscop, 2018, p. 191).

At the core of PESCO are binding commitments undertaken by participating states aimed at addressing long-standing issues of fragmentation and underinvestment in European defence. These include allocating around 20% of national defence spending to capability development and procurement, as well as approximately 2% to defence research and technology (R&T). Participating countries also commit to engaging in collaborative capability projects, which seek to close critical capability gaps, strengthen interoperability among European armed forces, and support the development of the European defence technological and industrial base.

One of the biggest leaps was the establishment of the European defence industry reinforcement through common procurement act (EDIRPA). It was adopted in 2023 in the wake of the Russian aggression against Ukraine and by recognizing the lack of defence interoperability between member states it aims to strengthen the European defence industry through common procurement. EDIRPA has a budget of €310 million (European Commission, 2026a). By getting insight into current readiness levels of EU's defence capabilities, in 2024 EDIRPA launched a call for proposals in three areas: ammunition, air and missile defence and platforms and replacement of legacy systems. PESCO and EDIRPA aim to address the fragmented defence industry of the EU and the lack of interoperability between member states by enhancing competitiveness and innovation, as well as by supporting joint procurement projects. All five projects funded under EDIRPA are projects of collaborative procurement among member states (see Table 1).

Table 1. Projects of joint defence procurement under EDIRPA

Project title	Funding	Countries involved
MISTRAL	60,000,000 €	France, Belgium, Cyprus, Estonia, Spain, Hungary, Slovenia, Romania, Denmark
JAMIE	60,000,000 €	Germany, Slovenia, Bulgaria, Austria, Estonia, Latvia
HE 155mm	60,000,000 €	Germany, Denmark, Netherlands, Estonia
CAVS	60,000,000 €	Finland, Latvia, Sweden, Germany
CPoA 155mm	60,000,000 €	Netherlands, Italy, Poland, Lithuania, Denmark, Croatia

Source: Authors using the information available at: European Commission. 2024. EDIRPA Project Factsheets. Available at: https://defence-industry-space.ec.europa.eu/eu-defence-industry/edirpa-addressing-capability-gaps_en

There are 19 Member States involved in these projects which all aim to enhance defence capabilities through common procurement. MISTRAL is dedicated to the common procurement of MISTRAL systems which will strengthen air and missile defence capacities. JAMIE focuses on acquiring the IRIS-T SLM air and missile defence systems. HE 155mm will procure the high explosive 155mm artillery ammunition which is recognized as a needed capability in various Member States. CAVS, or Common Armoured Vehicle System, is meant to procure 6×6 armoured vehicles. Last, but not least is the CPoA 155mm project which aims to procure various types of 155mm artillery ammunition (European Commission, 2026a).

To address the fragmented military landscape of Europe, the EU has managed to foster joint procurement among member states and its close partner states through instruments like PESCO

and EDIRPA. The percentage of collaborative programs in the overall procurement has grown from 23.4% in February 2022 to 34.7% until 2024 (Bran & Bălăşoiu, 2025, p. 1760). This has shown that Europe is working on fostering interoperability and joint procurement among its member states, as well as on enhancing defence readiness and responsiveness.

European Peace Facility (EPF) and Macro-financial Assistance Instrument (MFA)

One of the key EU instruments in dealing with the war in Ukraine was the European Peace Facility (EPF). The EPF is a funding mechanism established in 2021. What is specific about it is that it is outside of the scope of the Multiannual Financial Framework because Article 41(2) of the Treaty on European Union prohibits funding of military and defence operations under the EU budget. With the start of the war in Ukraine, the EPF was rapidly mobilized as a mean of collective European action. The Fund is now worth €17 billion (European External Action Service, 2025). One of the key components of the EPF is the Ukraine Assistance Fund (UAF) that supplied both lethal and non-lethal assistance to Ukraine and based it in the joint procurement through EU production. The UAF made the process of providing military equipment to Ukraine much faster. Even though decisions under the CFSP must be unanimous, when deciding on providing lethal weapons, the EU member states have the option to abstain and allocate those resources to another EPF assistance measure that is in accordance with their respective national policies. This enabled the EU to still adopt decisions while accommodating interest of those member states that are neutral, or the ones that fear ‘conflict spillover’ (Hofer, 2023, p. 1703). Under the EPF, the EU has also organized continued efforts in strengthening the capacities of the Ukrainian Armed Forces. So far, 70,000 soldiers have been trained under the EU Military Assistance Mission in support of Ukraine (EUMAM) that was launched in 2022.

The EPF has, due to the collective action and cooperation among Member States, enabled the EU to exercise both hard power through military assistance and soft power through political and diplomatic support for Ukraine (Törő & Klucznik-Törő, 2025, pp. 124-129). While dealing with the crisis perpetuated by the war in Ukraine, the EU has breached its self-imposed limits. One of them being that of providing lethal weapons to a third country for the first time in EU’s history which shows a militarization shift of the EU.

The MFA instrument has been present in the EU long before the war in Ukraine has started. However, the full-scale Russian invasion of Ukraine has broadened the scope and resources of the initially modest financing capabilities of the MFA (Spielberger & Rehm, 2026, p. 2) and that is why it is included in the analysis. The Macro-Financial Assistance Instrument is an important mechanism in assisting Ukraine economically during turbulent times. The first MFA for Ukraine, after the full-scale Russian invasion, was the *Emergency MFA* that provided EUR 1.2 billion in loans to Ukraine. The following was the *Exceptional MFA* that amounted to €6 billion. In 2023, the *MFA+* was adopted that provided an additional €18 billion in loans to Ukraine. The *MFA+* was underpinned by joint issuance of EU debt, rather than being based on member states’ transfers. This indicated that there are trends towards fiscal centralization at the EU level. The latest MFA instrument was the *Extraordinary Revenue Acceleration (ERA) MFA* of USD 50 billion. The servicing of this MFA will be covered by revenues extracted from Russia’s frozen assets in the EU (European Commission, 2025b). Although it is also not a direct instrument of CSDP, the EU’s new financial instrument, Security Action for Europe (SAFE), is closely linked to CSDP as it provides financial assistance to Member States in order to strengthen defence readiness by facilitating urgent and large-scale investments in support of the EU’s defence industry. As the first pillar of the Commission’s Readiness 2030 initiative, SAFE aims to mobilize more than €800 billion in defence spending across the EU (European Commission, 2026c). Its

fiscal architecture marks a crucial step in the EU's approach to defence capability development, marking a transition from grant-based cooperation to loan-based strategic investment (Constantinescu, 2026).

Since the beginning of Russia's war against Ukraine, the EU's support to Ukraine amounted to €220.2 billion (European Commission, 2025a). To put it in perspective, since the start of the full-scale war and until the end of 2024, the EU's support amounted to \$44,817 billion, while the IMF has granted Ukraine \$12,445 billion, and from the United States Ukraine received \$31,240 billion for the same period (Ministry of Finance of Ukraine, 2025). This makes the EU the primary financier when it comes to assisting Ukraine. By exercising the capability to mobilize this financial support the EU has gained a more prominent and relevant geopolitical role (Spielberger & Rehm, 2026, pp. 1-2). In addition, the EU showed trends towards fiscal centralization and has directed financial assistance to strategic security objectives.

European Defence Fund (EDF) and Act in Support of Ammunition Production (ASAP)

The EDF was established in 2021 with the aim to enhance the competitiveness and innovation of the EU's defence industry. The Fund was designed to support cooperation between research and capacity building while strengthening EU's strategic autonomy. The EDF was integrated into the 2021-2027 Multiannual Financial Framework which is a substantial advancement considering research and programs in defence matters are, for the first time, funded directly from the EU budget (Kılıç, 2024, pp. 60-61).

The Fund currently has a budget of almost €7.3 billion, out of which €2.7 billion is assigned to collaborative defence research and €5.3 billion for collaborative projects on capability development (European Commission, 2026b). In addition to joint procurement, the EU is working on fostering joint defence research and development (R&D) projects among its Member States and partner states, such as Norway. In 2023, 37 R&D projects were granted under the EDF. These new projects will enhance EU's defence capabilities in crucial areas such as air, ground and naval combat, cyber and space (European Commission, 2023). The establishment of the EDF did not resonate well with the US that characterized the Fund as a 'poison pill' that will inevitably deteriorate the transatlantic partnership and the American access to the European defence market. The clear aim of the EDF is to reduce European dependence on other non-European actors in fields of security and defence, which are crucial for European autonomy (Knutsen, 2022, pp. 170-171).

Another funding instrument, ASAP supported 31 projects for the production of explosives, powder, shells, missiles and testing. However, among those 31 projects, there are only few instances of collaborative action: TNTRION between Greece and Slovakia; ROLLO between Italy, France, Norway, Finland, Latvia; LAVGRAIN between Greece and Slovakia; IPCP between Germany and Romania; POURPRE between France and Sweden (European Commission, 2024a). This means that only five out of 31 projects stemmed from member state cooperation. Even though those projects received the most funding, the ASAP instrument still has room to improve in fostering the interoperability and joint procurement among member states and EU partner-states.

Aerospace, Security and Defence Industries Association of Europe (ASD) that encompasses 28 European companies and 23 National Associations, that totals 4000 companies among 21 European countries, has recorded a turnover of €183.4 billion in European defence industry in 2024 (see Figure 1).

What can be seen is that the defence industry experienced an increase of 13.8% in comparison to 2023. All major sectors, such as aeronautics, land and naval have experienced significant growth. In the sector of military aeronautics there are visible improvements in the production

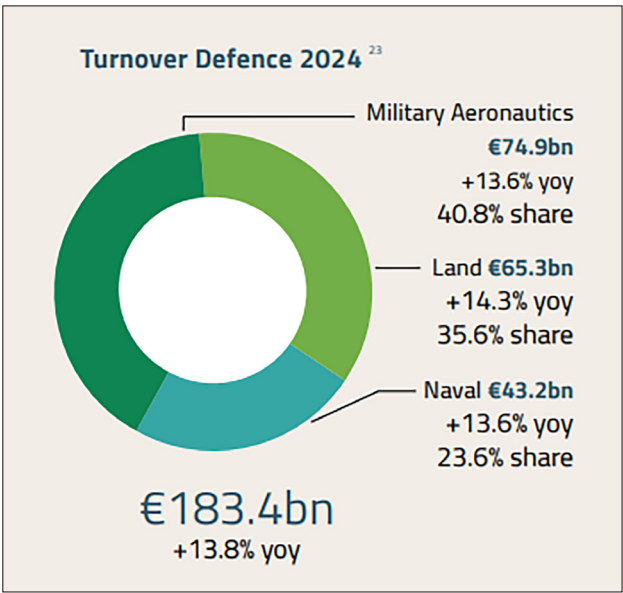


Figure 1. Defence turnover in 2024
Source: Aerospace, Security and Defence Industries Association of Europe. 2025. Facts & Figures 2025: 24.

of drones, helicopters and advanced combat aircraft. When it comes to the land sector, there is an increase in the production of armoured vehicles, munition, artillery systems and battle tanks. Within the naval sector, collaborative projects have been organized among EU’s leading shipbuilders (ASD, 2025, p. 26).

Overall, these developments illustrate the growing importance of coordinated investment and industrial cooperation in strengthening Europe’s defence capabilities. The EDF and related instruments represent an important step toward reducing fragmentation in the European defence market and fostering technological innovation. Nevertheless, the relatively limited number of truly collaborative projects suggests that deeper integration among member states is still needed. Continued efforts to enhance joint procurement, interoperability and industrial cooperation will therefore remain essential for advancing the EU’s strategic autonomy in defence.

The EU - Security Consumer or Security Provider?

As can be seen above, the war in Ukraine prompted serious discussion in the EU regarding defence capabilities. It is evident, now more than ever, that Europe needs to push for strategic autonomy in defence matters in order to secure its strategic posture in the world. Europe now finds itself at a crossroads. Will Europe be a security consumer or a security provider? The following analysis will focus on quantitative data acquired from the official EDA website, SIPRI Military Expenditure Database and Aerospace, Security and Defence Industries Association of Europe (ASD). The quantitative data analysis aims to see if the CSDP generated real progress and development in defence and security capabilities of the EU.

Table 2. shows that most of the EU member states experienced an increase in their military expenditures from 2021 to 2025, as percentage of GDP. As the data from SIPRI show, a constant

Table 2. Military expenditure by member states as percentage of gross domestic product (GDP), 2021-2025

EU MS	Military expenditure by country per year				
	2021	2022	2023	2024	2025
Austria	0.87%	0.76%	0.86%	0.99%	1.10%
Belgium	1.04%	1.17%	1.17%	1.28%	2.01%
Bulgaria	1.51%	1.59%	1.95%	1.93%	2.01%
Croatia	1.97%	1.80%	1.65%	1.86%	2.02%
Cyprus	1.78%	1.71%	1.59%	1.58%	1.61%
Czech Republic	1.35%	1.29%	1.31%	1.88%	1.84%
Denmark	1.30%	1.37%	2.01%	2.27%	3.25%
Estonia	2.01%	2.14%	2.98%	3.30%	3.37%
Finland	1.30%	1.59%	2.01%	2.18%	2.57%
France	1.98%	1.96%	1.95%	2.01%	2.03%
Germany	1.30%	1.34%	1.50%	1.84%	2.27%
Greece	3.80%	4.02%	2.89%	2.88%	2.99%
Hungary	1.32%	1.84%	2.04%	2.12%	2.04%
Ireland	0.24%	0.21%	0.22%	0.22%	0.22%
Italy	1.61%	1.60%	1.53%	1.59%	1.89%
Latvia	2.16%	2.25%	2.93%	3.30%	3.61%
Lithuania	1.95%	2.56%	2.84%	3.14%	3.08%
Luxembourg	0.41%	0.57%	0.68%	0.66%	0.85%
Malta	0.45%	0.42%	0.38%	0.37%	0.45%
Netherlands	1.37%	1.30%	1.44%	1.94%	2.19%
Poland	2.22%	2.20%	3.26%	3.75%	4.50%
Portugal	1.52%	1.36%	1.21%	1.44%	1.71%
Romania	1.86%	1.76%	1.62%	2.17%	2.28%
Slovakia	1.65%	1.78%	1.74%	1.98%	2.03%
Slovenia	1.24%	1.30%	1.31%	1.34%	1.54%
Spain	1.37%	1.43%	1.53%	1.46%	2.13%
Sweden	1.20%	1.34%	1.52%	1.99%	2.47%

Source: Information from the Stockholm International Peace Research Institute (SIPRI, 2025) Military Expenditure Database, <https://doi.org/10.55163/CQGC9685>

growth of military expenditure has been present for quite some time now. Even though some countries (Cyprus, Greece, Ireland, and Malta) showed stagnant results or even decreases in their military expenditure, it does not undermine the fact that the most rapid increases can be seen after the start of the war in Ukraine in 2022 that was followed by policy developments under the CSDP. The biggest jumps were made by Belgium (1.04% in 2021 to 2.01% in 2025); Denmark (1.30% to 3.25%); Estonia (2.01% to 3.37%); Finland (1.30% to 2.57%); Germany (1.30% to 2.27%); Latvia (2.16% to 3.61%); Lithuania (1.95% to 3.08%); Poland (2.22% to 4.50%); and Sweden (1.20% to 2.47%).

Looking at the EU level, total defence expenditure increased by 19% from 2023 to 2024, reaching €343 billion, and amounting to 1.9% of GDP. However, other international actors score higher when it comes to total defence expenditure, considering that the EU consists of 27 national governments, that decide upon their own defence budgets. This leads to duplication of effort in some instances, and it reduces defence efficiency and capability. The heavily fragmented defence sector of the EU has produced lack of interoperability between member states. For instance, while the US has only one main battle tank, in the EU there are 17 of them (Bressa et al., 2024, p. 5). Therefore, interoperability is not only a political question but a technical one.

Nonetheless, defence investments broke the threshold of €100 billion and reached €106 billion in 2024. This means that defence investments made up 31% of the total defence expenditure (European Defence Agency, 2025, p. 3). Defence equipment procurement expenditure has grown from €43.818 billion in 2021 to €87 836 billion in 2024. Defence R&D expenditure amounted to €13 208 billion in 2024, in comparison to €11 billion in 2021. Defence R&T expenditure still has much room for progress but, has grown from €4.1 billion in 2021 to €5.3 billion in 2024 (European Defence Agency, 2025). Main advances were made in the fields of air and missile defence; digital transformation; AI technologies; space; ground and naval; and cyber (ASD, 2025, p. 35). Some member states still do not clearly differentiate between R&D and R&T, which makes accurate collection of data in these fields very challenging (European Defence Agency, 2025, p. 14).

The most rapid increase in military expenditure across EU can be seen after the war in Ukraine started in 2022. The biggest increases can be seen in Poland, Czech Republic and Germany. Growth can also be seen at the EU level in defence investments, defence R&D and R&T. The examined institutional developments under the CSDP did engender progress in real numbers when it comes to EU's defence industry. As was shown above, an increase in joint procurement projects among EU member states is also evident. However, most of those are still primarily directed towards procurement from non-EU countries. This hinders the competitiveness of the European defence industry and has a wider impact on Europe's strategic posture in the world (ASD, 2025, p. 27). The most substantial developments can be seen in member state's defence expenditure, while defence integration at the EU level and EU's industry capacities are still lagging behind other international actors. What the analysis shows is that member states and the EU have placed defence and security at the top of their agenda after the war in Ukraine and amidst increasing global rivalries. This caused positive but still insufficient developments in the EU's defence industry. Lack of interoperability among member states still poses a great threat to EU's emergence as a truly autonomous global security actor.

Discussion

The empirical findings presented in this study demonstrate that the European Union has taken notable steps toward strengthening its security and defence posture following the Russian invasion of Ukraine in 2022. The analysis of policy instruments such as PESCO, EDIRPA, the European Peace Facility (EPF), the European Defence Fund (EDF), and supporting financial mechanisms reveals that the EU has moved beyond purely normative approaches toward a more material and capability-oriented security framework. However, while these developments indicate progress, they also highlight the structural constraints that continue to limit the EU's emergence as a fully autonomous security actor.

From a theoretical perspective, the findings partially challenge the traditional understanding of the EU as a purely normative power. Manners' concept of "Normative Power Europe"

emphasized the EU's ability to shape international norms through diplomacy, conditionality, and institutional engagement rather than through coercive means. Yet the developments observed since 2022 indicate that the EU is increasingly integrating elements of hard power into its strategic posture. Instruments such as the EPF, which enabled the financing of lethal military assistance to Ukraine, represent a significant departure from the EU's historically civilian-oriented crisis management approach. This shift suggests that normative power alone is no longer sufficient for maintaining influence in an international environment characterized by geopolitical rivalry and military confrontation.

Nevertheless, the transition from normative to hard power projection remains incomplete. The quantitative data on defence expenditure confirms that EU member states have significantly increased their military spending in recent years. This indicates growing awareness among national governments of the need to strengthen defence capabilities. However, much of this increase remains nationally driven rather than coordinated at the EU level. The persistence of fragmentation in procurement, capability development, and defence industrial policy continues to hinder the effectiveness of collective European defence initiatives.

The findings therefore reinforce the long-standing concept of the "capabilities–expectations gap" in European security policy. While the EU's strategic ambitions have expanded—particularly following the adoption of the Strategic Compass—its institutional and military capabilities remain insufficient to fully support those ambitions. Instruments such as PESCO and EDIRPA aim to reduce fragmentation and enhance interoperability, yet their scale and financial resources remain relatively limited compared to the needs of a comprehensive European defence system. Similarly, although the EDF has improved collaborative research and development, its financial scope remains modest compared to defence innovation investments made by other major global actors.

Another key challenge identified in this research is the continued dependence on external actors, particularly the United States, in areas of advanced military technology and strategic deterrence. Despite efforts to strengthen the European defence industrial base, EU member states continue to procure a significant portion of their military equipment from non-European suppliers. This dependence limits the EU's ability to achieve full strategic autonomy and undermines the competitiveness of the European defence industry.

At the same time, the analysis demonstrates that the EU has made progress in integrating financial, industrial, and security instruments into a broader geopolitical strategy. The combination of military assistance through the EPF, economic support through the Macro-Financial Assistance instrument, and industrial policy through the EDF illustrates a more comprehensive approach to security policy than in previous decades. This multidimensional strategy suggests that the EU's strength may not lie in replicating traditional military powers, but in combining economic, political, and security instruments in a coordinated manner.

The war in Ukraine has therefore served as a critical juncture for the evolution of the CSDP. It has accelerated policy innovation, increased defence spending, and strengthened political consensus on the need for greater European responsibility in security matters. However, whether these developments will translate into a lasting transformation of the EU's strategic posture depends largely on the ability of member states to deepen defence cooperation and overcome structural fragmentation within the European defence landscape.

Ultimately, the EU appears to be in a transitional phase between its traditional role as a normative power and a more comprehensive security actor. Rather than replacing normative power with military capability, the EU is gradually integrating both dimensions. This hybrid model of power projection may become a defining feature of the EU's strategic identity in the coming decades.

Conclusion

This paper set out to examine whether the European Union, by rethinking the Common Security and Defence Policy, can reposition itself as a hard power actor in an increasingly competitive global environment. Through a mixed-method approach combining qualitative policy analysis with quantitative data on defence spending and industrial development, the study assessed key institutional developments within the CSDP and their implications for Europe's strategic posture.

The findings indicate that the EU has made significant progress in strengthening its defence and security framework in recent years. Policy instruments such as PESCO, EDIRPA, the European Peace Facility, MFA, ASAP, and the European Defence Fund demonstrate that the EU has begun to address long-standing structural weaknesses in its defence cooperation. These initiatives have contributed to increased defence spending, enhanced collaboration in procurement and research, and greater financial and military support for Ukraine. Together, they represent an important step toward strengthening the EU's capacity to act as a security provider rather than merely a security consumer.

However, the analysis also highlights several limitations that continue to constrain the EU's strategic autonomy. Fragmentation of defence industries, limited interoperability between national armed forces, and continued dependence on non-European suppliers remain major obstacles to the development of a coherent European defence capability. While defence investments have increased significantly, coordination at the EU level still lags behind national initiatives. As a result, the gap between Europe's strategic ambitions and its operational capabilities persists.

The results of this study therefore suggest that the CSDP has the potential to play a crucial role in enhancing Europe's strategic posture, but only if member states demonstrate sustained political commitment to deeper defence integration. Strengthening joint procurement mechanisms, expanding collaborative research and development, and consolidating the European defence industrial base will be essential steps in reducing fragmentation and improving interoperability.

At the same time, the EU's future role in global security is unlikely to mirror that of traditional military powers. Instead, the EU may develop a distinctive model of strategic power that combines military capabilities with economic influence, diplomatic engagement, and institutional cooperation. In this sense, the evolution of the CSDP should not be understood as a replacement of the EU's normative identity, but rather as its adaptation to a more competitive and militarized international environment. The EU's support for Ukraine illustrates this transformation particularly well. While grounded in normative values, it has also enhanced the EU's geostrategic position by integrating elements of hard power.

Future research could further explore the long-term implications of increased defence integration within the EU, particularly in relation to the evolving relationship between the EU and NATO, the development of the European defence industrial base, and the political dynamics shaping member states' commitment to strategic autonomy. Understanding these dynamics will be essential for assessing whether the EU can successfully transform its emerging defence initiatives into a coherent and effective security architecture.

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Conflict of Interest

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