## **Executive Summary**

World history has been dominated not only by singular events but also by processes driving gradual paradigm shift in the distribution of power. The very notion of a globally dominant power is a relatively new tenure having its roots in imperial rivalries, which led to two destructive wars for world domination, and then to the Cold War confrontation. Since the 20<sup>th</sup> century referred to as the European, the power shifted to Atlantic, but the rise of global prominence of three Asian powers, Japan, China and India, made the 21<sup>st</sup> century an Asia – Pacific one. New competition among the great powers is defining the future of the international system. It is maxim that economic strength is the foundation of hegemonic power. A strong economy provides the resources for strong military power to maintain the dominant position in the world affairs. At the same time investing in the security gives the solid ground for the economic stability. In these complexities of the international relations NATO and the EU play an important role in preserving a balance of power taking on responsibility of preserving peace and stability in the region and globally. Predictions about the future balance of power are in the hands of the strategists that look beyond the events of the day and think about how the state's interests will be affected over the longer term by shifting power arrangements.

In the 21<sup>st</sup> century, the nation-state is confronted with an increasingly complex and interdependent environment, characterised by the forces of globalisation, regional and global networks of state and non-state actors, and regional and global security risks and threats. In other words, it could be argued that anarchy remains the defining feature of the international relations. It can also be claimed that in a hypercompetitive world which is driving force behind the state affairs is most likely that nobody can really be in control. Though, competition is not only happening between the states or among regional powers but includes competition of non-state actors, like Al Qaida, versus states, or multinational corporations and other institutions.

Although national state remains the main actor in the international relations, it is no longer the only force of influence. The new world order cannot be defined solely in terms of the interests of national sovereign states and arrangements between them. Transnational processes in a steadily

globalizing international environment have increasingly influence it. New emerging international actors, e.g., civil society, non-governmental organizations, Multinational Corporations, terrorist groups, criminal associations, all perpetuate uncertainty and unpredictability of the international environment. This complexity of the international environment has a profound impact on the security challenges that the international community is facing today. The 21<sup>st</sup> century is not only encountering challenges of a linear nature, e.g., globalization, economic crisis, regional competitiveness, and lack of resources, but also a cross-cutting global risks being illicit trade, organized crime, terrorism, proliferation of weapons of mass destruction, cyber security, and many more that for the purpose of this thesis cannot be discussed. Nonetheless, security remains one of the main features of the state interest. While most of today's challenges have extraterritorial dimensions that require multinational solutions, cooperation between the states confronting these new security environments is the only effective approach. Although the states are likely to compete, for the reason stated above, states still form durable alliances as they mutually benefit from the cooperation.

The world today stays largely securitized<sup>1</sup>. Security is an underlying element of the international relations. Security means a different think to a different actor. It is in an exclusive domain of the nation states also when joining alliances, as NATO for example. "Security in objective sense measures the absence of threats to acquired values, and in a subjective sense, the absence of fear that such values will be attacked." "Security or insecurity can be defined in relation to vulnerabilities, both internal and external, those threaten to, or have the potential to bring down or significantly weaken state structures." The main dynamic of the international relations is driven by the perception of threats that can weaken the nation state.

In assessing the complexity of challenges and threats, the international organizations come to different conclusions what constitutes risks or threats to its peoples. This concept can be summed up in the Churchillian phrase `where you stand depends on where you sit`, i.e., your point of

1 Securitization in international relations is a concept connected with the Copenhagen School of Security studies, and is largely seen as synthesis of constructivist and classical political realism in its approach to international security. Securitization examines how a certain issue is transformed by an actor into a matter of security.

<sup>2</sup> Wolfers (1962)

<sup>3</sup> Ayoob (1997:130)

view depends on your position in the geopolitical landscape. The concept of security itself has evolved but has not been captured in the strategic thinking. The new strategic concepts are in reactive mode to emerging security threats. They do not integrate the necessary strategic elements to be able effectively and in timely manner confront the security challenges to the international community with means other than military. The interdisciplinary combination and complementarity of the capabilities of the international community is the key to adequate responses to future security challenges. From this aspect, it is highly imprudent to separate those capabilities to one or the other international organization. Threats to NATO or the EU's population are common which is why the alliances still matter even though the "coalitions of the willing" are often implied.

Inter-institutional relations are characterised by competition as by cooperation between organisations that must demonstrate their relevance. This perception is often discussed also in the relations between NATO and the EU. The primary reasons why building partnerships remains difficult is the heterogeneity of international actors, their mandates, institutional forms, resources, political influence and level of development as crises management actors, as all comes afore in both of mentioned organizations. Although inter-institutional cooperation and burden – sharing have developed on the basis of the comparative advantages owned by each organization, the fact remains that nearly all institutions aspire or they are forced due to the lack of cooperation on the ground, to embrace entire spectrum of crises management activities. Need for a partnership is recognised by all the international institutions but the internal coordination and coherence impedes building the necessary links.<sup>4</sup>

In today's inter-related world, peace and security are indivisible. Meeting today's security challenges requires the international community to work together effectively. A wide spectrum of civil and military instruments is necessary to respond successfully to 21<sup>st</sup> century security complexities and challenges. Tackling those security challenges requires a holistic approach and permanent coordination, consultation and interaction among all the stakeholders, to encourage common action for sustainable peace and sustainable regionally as well as globally.

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<sup>4</sup> Tardy (2010)

Present thesis examines the increasing complexity of the global security environment and dynamic and the ability of NATO and the EU to come to terms with a rapidly changing strategic milieu. The future, in all likelihood, will be very different from the past, and the chapters in this volume develop a framework that may help gaining a better understanding of the security challenges of the 21<sup>st</sup> Century debate and the role of two major actors, namely NATO and the European Union.

Part I gives the major conceptual foundation for the study, starting with the statement of the hypothesis, posing the research questions and stating the challenge of research. Different concepts of the political theories will be discussed that in my view best explain the following: First, the contemporary international system and the role of a nation state. An enhanced theoretical understanding of the role of state is important to yield the base for further discussion of the alliances among states. Second, based previous findings for the purpose of this thesis it is important to define the driving forces for nation states to cooperate and the meaning of security in this context. Thirdly, and most importantly, to analyse the very complexity of political theories, including realism, constructivism, liberalism and democratic peace theory, in relation to NATO and the EU and their role in the worlds affairs.

Part II gives an overview of the evolving security challenges of the 21<sup>st</sup> Century. As the security is an extremely important factor for states and force driving international relations, the complexity of the security environment, with cross-cutting global risks, and contemporary security threats, will be discussed in some detail.

Part III looks at the evolution of NATO and the EU, examinations the raison d'être of both organizations and their mission in the regional and global security equilibrium. Once we understand the origins and evolution of the two alliances, we can correctly judge the likely outcome of their relationship in the future.

Part IV will examine NATO's and the EU's strategies reflecting their values and missions, as the main guidance in adopting to the changed 21<sup>st</sup> Century security environment, to gear up for meeting new security risks and threats in preserving peace and stability in an unstable world.

The final section, Part V, concludes with the findings responding to the main purpose of this thesis, as it reads in the title: "NATO and the EU: Optimizing the value of partnership in a Hypercompetitive World«. The present state of their relationship and prospects for the future symbiosis between them will be analysed.