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THESIS

**THE FUTURE OF SWISS FOREIGN AND SECURITY
POLICY: INCREASING INTERNATIONAL
COOPERATION IS THE KEY TO NATIONAL
AUTONOMY**

by

Niels O. Buechi

December 2011

Thesis Co-Advisors:

Donald Abenheim
Carolyn Halladay

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INCREASING INTERNATIONAL COOPERATION IS THE KEY TO NATIONAL
AUTONOMY**

Niels O. Buechi
Lieutenant Colonel, Swiss Army
B.A., Swiss Federal Institute of Technology Zurich, 2001

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December 2011**

Author: Niels O. Buechi

Approved by: Donald Abenheim
Thesis Co-Advisor

Carolyn Halladay
Thesis Co-Advisor

Daniel Moran
Chair, Department of National Security Affairs

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ABSTRACT

This thesis investigates the future development of Swiss foreign and security policy, particularly in the context of the continuing trend toward alliances and cooperative policymaking entities in and around Europe. It focuses on two main aspects: One is how international cooperation in general influences national autonomy and neutrality; the other is the specific impact of the Lisbon Treaty of the European Union on Swiss foreign, security, and defense policy. This two-pillar structure informs the central question of this thesis, namely whether increasing international cooperation is the key to Swiss national autonomy and Switzerland's place in the international system of states. For outsiders, at first glance, this question and the whole approach may appear inherently contradictory. How can more or more extensive international cooperation lead to greater national autonomy in Swiss statecraft? It is the aim of this study to investigate and explain how cooperation in one political field can enhance and support autonomy in another political area. The thesis concludes by measuring the value of autonomy and develops some evolutionary options and models for future international cooperation. The final chapter provides an assessment of how much international cooperation is appropriate or recommended in light of the national and international consequences.

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LIST OF ACRONYMS AND ABBREVIATIONS

CE	Council of Europe
CFA	Council for Foreign Affairs
CFSP	Common Foreign and Security Policy
CODEXTER	Committee of Experts on Terrorism
CE	Council of Europe
CSCE	Conference on Security and Cooperation in Europe
CSDP	Common Security and Defense Policy
DDPS	Department of Defense Civil Protection and Sport
DPKO	Department of Peacekeeping Operations
EAPC	Euro-Atlantic Partnership Council
EDA	European Defense Agency
EEA	European Economic Area
EEAS	European External Action Services
EFTA	European Free Trade Association
ENPS	European Neutrals Partnership for Security
ESDP	European Security and Defense Policy
ESS	European Security Strategy
EU	European Union
FCMA	Friendship, Cooperation and Mutual Assistance
GICHD	Geneva International Centre for Humanitarian Demining
ISAF	International Security Assistance Force
KFOR	Kosovo Force
MAPA	Mine Action Program for Afghanistan

NATO	North Atlantic Treaty Organization
NBG	Nordic Battle Group
NWFZ	Nordic Nuclear Weapons Free Zone
OSCE	Organization for Security and Cooperation in Europe
PARP	Planning and Review Process
PfP	Partnership for Peace
PRT	Provincial Reconstruction Team
SALT	Strategic Arms Limitation Talks
SFMA	Swiss Federation for Mine Action Clearance Project
SFOR	Stabilization Force
SPÖ	Sozialdemokratische Partei Österreichs
UN	United Nations

I. INTRODUCTION

A. MAJOR RESEARCH QUESTION

This thesis investigates the future development of Swiss foreign and security policy in light of the continuing trend toward alliances and cooperative policymaking entities in and around Europe. This work focuses on two main aspects: One is the specific impact of the Lisbon Treaty of the European Union (EU) on Swiss foreign, security, and defense policy; the other is how international cooperation in general influences Swiss political and strategic culture of national autonomy and neutrality as such has existed for centuries and now faces new challenges in the present and future. This two-pillar structure informs the central question of this thesis, namely whether increasing international cooperation is the key to Swiss national autonomy and Switzerland's place in the international system of states.

Six sub-questions shape the major research question: a.) What are the future challenges of the Swiss foreign and security policy? b.) Which strategic factors are decisive in the face of these challenges? c.) What is the development potential of cooperation with the EU in the field of foreign and security policy? d.) What is the strategic approach of nation-states comparable to Switzerland? e.) What are the costs and benefits of autonomy and sovereignty in the system of states and a more closely linked global structure? f.) How might a stronger commitment by Switzerland in the formulation and implementation of the EU's Common Security and Defense Policy (CSDP) enhance political access for the bilateral approach in the present security environment?

For outsiders, at first glance, this question and the whole approach may appear inherently contradictory. How can more or more extensive international cooperation lead to greater national autonomy in Swiss statecraft? This study investigates and explains how cooperation in one political field can raise and support autonomy in another political area.

Without question, the entry into force of the Lisbon Treaty in December 2009 constitutes a milestone in European integration policy. After more than eight years of deliberations and discussion about revising the EU's basic framework agreement, the

Treaty on EU, a new era in the EU's history has started. At first blush, there appears to be no major change indicated in the carefully structured, bilateral relationship between the EU and Switzerland. The mutual approach, based on the "bilateral course" and negotiations, appears to keep its political and judicial legitimacy.

But this appearance is deceptive. In fact, the Lisbon Treaty also heralds a new epoch in the EU-Swiss relationship. Generally speaking, from the Swiss perspective, the Lisbon Treaty serves to strengthen the position of the EU, expand the bureaucratic apparatus, and make the EU's internal and external processes more complex. The new EU institutions and the changes to the EU's internal decision-making processes (for example, the broader sphere of competence of the central EU organizations in Brussels) promise to affect significantly the future development of the bilateral approach.

There are two major challenges facing Switzerland in the near future. First, the international and diplomatic relationship with the EU in general, public diplomacy in particular, and the exertion of influence through cooperation with the different commissions of the EU have all become more demanding. Now the Swiss must negotiate a new multi-track access to the European Parliament and the EU's other institutions and decision-makers. (In the past, it was much easier to deal with just one point of contact, the European Commission.) Second, with the entry into force and implementation of the Lisbon Treaty, EU institutions have gained more influence, and the formal delimitations between the different fields of policy and responsibility have given way to the EU's vision of an integrated multilateralism. This development also reduces the political shortcuts to Brussels and thus complicates Swiss relations with the EU, which, in turn, impedes the pursuit of Swiss foreign, security, and defense policy aims.¹

Hence, the current established access to the EU, mainly based on a multitude of discrete, individual contacts, rather than a unified approach to the EU as a single entity, is a model with no future—its obsolescence is built into the Lisbon Treaty. However, the new model shapes up, for Switzerland, the future necessarily will entail increased cooperation with the EU and other alliances. Especially in terms of Swiss foreign,

¹ EDA/EVD. "Die Europapolitik der Schweiz: Der bilaterale Weg" (October 2009), accessed December 8, 2011, <http://www.europa.admin.ch/themen/00499/00755/index.html?lang=de>.

security, and defense policy, the next major question—and the topic of this thesis—is: Can Switzerland continue to balance national autonomy with international security cooperation and with increased involvement with the EU?

B. IMPORTANCE

Further changes in the legal framework of the EU are not yet in sight. The integration process has reached a certain culmination point, and further steps are not pending on the political agenda. As a consequence for Switzerland, the Lisbon Treaty is *the* major agreement for future political definition and the development of the Swiss relationship to the EU. But this treaty does not really foster the old bilateral approach to relations between Switzerland and EU member states; instead, it actually puts some additional stumbling blocks on a path that is already cluttered with obstacles.

Public relations, public diplomacy, and the exertion of influence have become much more demanding. Bilateral negotiations must follow more strictly the guidance and decisions formulated in Brussels. In addition, the EU's institutional reform will diminish the willingness of the EU to endorse a special treatment of Switzerland.

The strategic goal for Switzerland must be to improve its direct links to high-level opinion leaders and decision-makers in the EU. For that, the Swiss must refresh their pre-existing contacts and prior participation in working groups in the European Commission, as well as establishing new associates in the Council of Europe (CE) and the European Parliament. Switzerland must work out a clear political roadmap covering all its national interests to be prepared for further negotiations with the EU.

A three-level approach would be a feasible way to manage the political relations with the EU. First, an institutional political-strategic dialog with the European Commission would establish a certain commitment and confidence. Second, Switzerland must walk the talk: A stronger participation in the broad field of the CSDP would build up some credibility for the Swiss in other fields, including economic policy, an ace that would help the Swiss to protect their national interests despite certain sectorial disagreements. Third, the Swiss should not overplay their call for special treatment. Wherever possible, bilateralism must be based on existing instruments and mechanisms.

Special agreements between Switzerland and the EU are absolutely essential for the sovereign survival of Switzerland but should not become the predominant feature in a bilateral convention. A stronger commitment of Switzerland in the formulation and implementation of the CSDP would enhance political access for the bilateral approach.

C. HYPOTHESES

More significant than the EU's security and defense policy for Switzerland is cooperation in the field of conflict prevention, peace building, and crisis management.² The precise definition and the real ambitions of the EU in those tasks remain unclear. The ongoing discussion of the European Security Strategy (ESS) demands additional doctrinal strategies, especially in civil-military cooperation,³ and envisages a EU grand strategy.⁴ This overarching plan is supposed to define the goals and the criteria for the deployment of the different CSDP instruments and should act as a planning tool for all resources and assets. A more transparent and generic decision-making process and criteria catalogue would support the commitment of third states and nongovernmental organizations to participate in EU-led missions and operations. Based on such a detailed strategic layout, Switzerland would be able to decide in which areas the EU's policy conforms to Swiss national interests. Such a measure would help to provide a clear statement of how Switzerland intends to support the EU's efforts. A stronger consultation and information exchange between the EU and Switzerland would be a basic requirement for such a course of action.

To implement the new ideas, some concrete concepts and instruments must be developed. The whole structure of the EU itself and the treaty relationship between Switzerland and the EU are very complex and shaped by the huge bureaucracy in Brussels and by the Swiss bilateral approach. The new concept and instruments for close

² EDA/EVD, "Informationsblatt Friedensförderung," February 17, 2010, accessed December 8, 2011, <http://www.europa.admin.ch/themen/00499/00503/00798/index.html?lang+de>.

³ Borja Lasheras, Christoph Pohlmann, Christos Katsioulis, and Fabio Liberti, "European Union Security and Defence White Paper. A Proposal," 2010, accessed December 10, 2010, <http://library.fes.de/pdf-files/id/ipa/07075.pdf>.

⁴ Jolyon Howorth, "What Europe Badly Needs is a 'Grand Strategy,'" *Europe's World*, 2009, accessed February 2, 2011, http://www.europesworld.org/NewEnglish/Home_old/Article/tabid/191/ArticleType/ArticleView/ArticleID/21474/WhatEuropebadlyneedsisaGrand-Strategy.aspx

cooperation in security and defense policy must follow simple principles and fulfill a high practical relevance to facilitate the Swiss internal political agreement process.

In part, this study will test and investigate the different fields and options of a closer and more multilateral cooperation with the EU. Granted the strategic factors explained in Chapter II, Switzerland must improve its international engagement and cooperation in the broad field of the CSDP to reach its goal and to keep a high degree of autonomy. Hence, the question is not *aye or nay* to cooperation and international engagement in foreign and defense affairs, but rather how much and what kind of involvement is needed to meet and advance Swiss national interests.

D. LITERATURE REVIEW

A search for existing studies and findings from prior examinations of the implications of the Lisbon Treaty for Swiss foreign and security policy, as well as about how international cooperation influences national autonomy, reveals relatively few relevant titles. The same situation obtains in the appropriate interdisciplinary literature. There are four reasons for this omission. First, from the EU's perspective, the topic of this study is not that politically relevant. Second, Swiss perceptions are more strongly oriented toward individual EU member states than toward the EU as a whole entity, in part because of Switzerland's highly autonomous self-perception. These habits of thought can portend a crucial negative impact on Swiss foreign policy because of an underestimation of the EU's significance as a collective entity. Third, Switzerland is the only state that consequently follows an autonomous approach in foreign, security, and defense policy. Fourth, the whole topic is relatively recent, and current studies about this overall topic are not published yet.

With no directly relevant literature on which to base this study, the author must rely on contemporary literature and publications in four different but related fields. First, there is a lot of literature about the European integration policy and the interpretation of the EU's legal framework in this particular field, primarily written by specialists on institutional integration and international law and strongly focused on the EU itself or some interaction between the EU and its member states. This literature provides a broad

background and some connection points. The works from Desmond⁵ and Carbone⁶ provide excellent insights into European integration, with a special focus on the tension between national autonomy and multilateral cooperation. Carbone investigates the legal side of the Lisbon Treaty by comparing it with the constitutions of the EU member states,⁷ which has important ramifications for the Swiss case. Desmond, on the other hand, focuses more on the question of how close and powerful the EU is today,⁸ which parallels this thesis' investigation of the role of Switzerland vis-à-vis the EU. The Swiss author Gabriel presents an overarching view of Swiss foreign policy, from the Cold War to the present.⁹ In combination with Trampusch¹⁰ and Mach's work on the contemporary role of Switzerland in Europe, this volume provides the basis from which this thesis approach its own main question. Bindi's volume¹¹ on the EU's foreign policy and the role of the EU in the world helps to situate the whole topic in a larger context.

Second, there are a few contemporary works on EU security and defense policy (ESDP), written primarily by diplomats, civil servants, and high-ranking officers who work in such institutions as North Atlantic Treaty Organization (NATO) or the EU. The major topic of this literature is how the EU should shape its policy. Debates about civil versus military crisis management, multilateralism versus unilateralism, hard versus soft power, allocation of resources, cooperation between NATO and CSDP, and common threats are the main focuses. These sources are very helpful to any discussion of concrete options or models for the different forms of cooperation. The works of Jolyon Howorth¹²

⁵ Desmond Dinan, *Ever Closer Union: An Introduction to European Integration*, 4th ed. (Boulder, CO: Lynne Rienner, 2010), 134 et sqq.

⁶ Maurizio Carbone, *National Politics and European Integration: From the Constitution to the Lisbon Treaty* (Cheltenham, UK: Edward Elgar, 2010), 16 et sqq.

⁷ Ibid. 215 et sqq.

⁸ Dinan, *Ever Closer Union*, 2010. 172.

⁹ Gabriel Jürg Martin and Thomas Fischer, *Swiss Foreign Policy, 1945–2002* (Zurich: Palgrave Macmillan, 2003). 35 et sqq.

¹⁰ Christine Trampusch and André Mach (eds.), *Switzerland in Europe: Continuity and Change in Swiss Political Economy* (London: Routledge, 2011), 11 et sqq.

¹¹ Federiga Bindi, *The Foreign Policy of the European Union: Assessing Europe's Role in the World* (Washington, DC: Brookings Institution Press, 2009), 17 et sqq.

¹² Jolyon Howorth, *Security and Defence Policy in the European Union* (New York: Palgrave Macmillan, 2007), 8 et sqq.

about the EU's security and defense strategy provide an excellent frame in which to discuss the Swiss cooperation with the EU, even if he does not explain some particularities.

Third, the most important resources for this study are the official documents published by the EU,¹³ the Swiss government,¹⁴ the “comparison cases” in the present analysis—Austria, Finland, Ireland and Sweden—and the various security studies institutions.¹⁵ The Lisbon Treaty,¹⁶ the bilateral treaties,¹⁷ the agreements between the EU and Switzerland on participation in EU crisis management missions, and the strategic papers provide further essential primary information for this thesis. By comparing legal frameworks and national memoranda, the author derives the conclusions for the Swiss case.

Finally, there are very few but also very specific important studies in the field of cooperation and autonomy, which provide a valuable additional source. For example Kjell and Angström¹⁸ provide an excellent overview in their book about the approach of Sweden.

In addition, this thesis provides, based on the author's language capabilities, an additional resource, in its own right, as it surveys and compares English, French, German, and Swedish literature on this topic. This fact enlarges the potential audience for this thesis in the international field of security and defense policy and makes this thesis relevant to all who are interested in the foreign and security policy of highly autonomous nation states in Europe.

¹³ EU, “European Treaties and Law,” accessed December 8, 2011, http://europa.eu/abc/treaties/index_en.htm.

¹⁴ EDA/EVD, “Bilaterale Verträge,” accessed December 8, 2011, <http://www.europa.admin.ch/themen/00499/00755/index.html?lang=de>.

¹⁵ International Institute for Strategic Studies, accessed December 8, 2011, <http://www.iiss.org/publications/military-balance/>.

¹⁶ EU, “The Lisbon Treaty,” Accessed December 8, 2011, <http://www.consilium.europa.eu/showPage.aspxlan.htm>.

¹⁷ EDA/EVD, “Bilaterale Verträge.”

¹⁸ Kjell Engelbrekt and Jan Angström, *Svensk säkerhetspolitik: i Europa och världen* (Norstedts: Juridik, 2011). 22 et sqq.

E. METHODS AND SOURCES

This thesis uses a blended methodology of policy analysis informed by contemporary history as well as international affairs scholarship. The basic analytic approach is focused on an analysis of the historical legacies that shape the topic, focusing on different case studies and structured comparisons. The whole study is structured along the major research question and its subquestions. It is focused on different social, cultural, and institutional factors, and it provides a prospective timeframe from today to 2020.

This thesis does not rely on any specific or single international relations or comparative politics theory. The main focus of the study is an interdisciplinary issue straddling national interests, international cooperation, and strategy development, and it can be discussed in light of various approaches and theories, including realism, idealism, and constructivism. It is a mixture of the different theories that shape the future of the Swiss foreign and security policy, and, hence, the present analysis shifts among the theories in their turn.

In order to maintain the major focus, this thesis resists addressing several aspects of Swiss foreign, security policy, and international cooperation. The main focus is on the development of the cooperation with the EU. Additional options of cooperation—for example, NATO, Organization for Security and Cooperation in Europe (OSCE), United Nations (UN), or others—are discussed only to the limited extent needed to frame the whole study or to present some alternatives to the cooperation with the EU. Also, the comparison with other states is limited to some specific topics.

F. THESIS ORGANIZATION

The thesis is structured in five chapters. After the introduction, Chapter II provides an overview of the Swiss security and defense policy, analyzes selected strategic factors, and focuses on the future challenges as an initial analysis for the whole thesis. The comparative case studies in Chapter III and the examination of the relationship between Switzerland and the European Union in Chapter IV take up different aspects of the six research sub-questions. Chapter III investigates five different neutral states and

their security policy, drawing out some consequences for Switzerland. Chapter IV measures the value of autonomy from the perspective of neutral states in Europe and focuses on international cooperation. The final chapter assesses how much international cooperation is needed and explains the national and international consequences for Switzerland in the much-changed security environment of the early twenty-first century.

The organization proceeds from the domestic to the international level. It first examines domestic particularities and determines strategic factors and then investigates the international dimension of cooperation. This format allows a step-by-step development of the cases and the research.

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II. SWISS SECURITY AND DEFENSE POLICY

A. FRAMEWORK AND LEGACIES

1. Introduction

In the international-legal sense, Switzerland is a permanent, armed neutral state that is also non-aligned. The roots of Switzerland's self-imposed perpetual neutrality dates back to the battle of Marignano in 1515; this status became internationally recognized as a feature of the European system in 1815 at the Congress of Vienna. For the duration, Switzerland has maintained armed neutrality, which means that Swiss armed forces exist to preserve the territorial integrity of the Confederacy. Non-alignment accords with the Swiss understanding of neutrality in that Switzerland, thus far, has remained aloof from all alliances as a matter of protecting both the letter and the spirit of its neutrality.

Thanks to the enlargement of NATO and the EU since 1989, Europe can be characterized as stable and secure. A direct military threat in Europe is *de facto* nonexistent; even looking out over the next ten years such a conventional threat seems extremely unlikely. Conflicts and wars, as they still visit the continent, have shifted to Europe's eastern and southern periphery. At the same time, however, the ongoing trends of globalization and transnational development have led to a relatively new phenomenon: Geographically distant conflicts and crises directly affect the security policy of European states and seriously threaten European state. Global terrorism and Islamist extremism represent the current manifestations of this development but are certainly not the only such concerns. Even long-standing neutral states, including Switzerland, cannot consider themselves immune from the dangers that attend the contemporary world disorder.

This change in the field of the strategic environment of the European states—especially the neutral states—had a significant impact on the security policy and hence the armed forces across Europe. Starting in the early 1990s, Switzerland, like most of its neighbors, embarked on a major transformation of its armed forces, which continues to this day. At the heart of this transformation process is the evolution from a primary focus

on territorial defense to an embrace of the multifunctional tools of national and international crisis management, based on international cooperation and mutuality. Along with this development came structural changes like reductions in personnel and equipment, a clear trend toward professional versus conscription-based armies, and a more taskforce-oriented structure of military organizations.

In the case of many of Europe's neutrals, this development led to a general reconsideration and realignment of the concepts of neutrality toward a more cooperative and multilateral strategy. In this connection, the strengthened CSDP is in the center of the stage. Switzerland, however, cannot and will not follow these trends, granted its legal and political context. These special circumstances provide the special challenges of the present and future Swiss relationship with the EU.

2. The Security Policy Framework

Swiss security policy is articulated in the *Report of the Federal Council to the Federal Assembly on the Security Policy of Switzerland—Security through Cooperation* (Report 2000 on Security Policy) from June 1999. According to this report, the *Armed Forces Guidelines XXI* were drafted by the Federal Department of Defense, Civil Protection and Sport (DDPS) in 2001 in order to revise the structure and operational concept of the Swiss Armed Forces, as well as appropriate the training and equipment. Amendments to the Law on Armed Forces and the Federal Law on Civil Protection and Civil Defense followed as they were approved by Parliament in 2002 as well as by popular vote, the people referendum in 2003. The implementation of Armed Forces XXI began in January 2004. The major elements included a downsizing of the army in terms of numbers and units, a stronger focus on homeland security and crisis management instead of conventional defense, and some budget cuts. Soon thereafter, changing threats and risks as well as budget restrictions called for a further optimization process.

The Federal Council decided in July 2008 to update the Report 2000 on Security Policy. This revision resulted in the *Report of the Federal Council to the Federal Assembly on the Security Policy of Switzerland of 2010*, the *Report 2010 on Security*

Policy, which was adopted by the Federal Council in June 2010. Submitted to Parliament, the Report 2010 on Security Policy will be acknowledged by the parliament in December 2011.

Swiss security policy emphasizes cooperation. Domestically, national security co-operation encompasses the Swiss instruments of security policy: foreign policy, armed forces, civil protection, economic policy, national economic supply, police, and the protection of the constitution. Second, in concert with other states and international organizations, Swiss policy and practice favors cooperation especially in peace support operations, support of humanitarian assistance operations, military training and defense procurement. The *Report 2010 on Security Policy* states that the threat to Switzerland has not fundamentally changed and that the current strategy will be continued. But the report does refine the core of Swiss security policy.

One major aspect is the broad view of security as concerns of all levels of Swiss politics: the international cooperation, the Confederation, the cantons, and the municipalities. An improvement of the coordination among these entities is demanded and a Swiss Security Network should therefore be established under the lead of the defense department in close association with the Federal Department for Foreign Affairs and the authorities of the cantons. The *Report 2010 on Security Policy* shifts the priorities for Swiss Armed Forces missions, with the emphasis now falling on support civilian authorities. The “classic” mission of territorial defense has become less probable, which means that while these capabilities must be maintained in highest quality, they will be reduced in quantity. The *Report 2010 on Security Policy* also identifies the mission of peace support and envisages a quantitative and qualitative enlargement of the Swiss Armed Forces engagement abroad. The limits on such international military co-operation are set by the condition that a neutral state cannot enter into any commitment that would require military assistance in wartime.

To complete the *Report 2010 on Security Policy*, the *Report 2010 on the Armed Forces* was initiated. It sets out the performance profile and the mandate of the Swiss Armed Forces and points out the parameters for its future development. Although the report received governmental approval in October 2010, it is planned for discussion in the

parliament in December 2011, especially where it touches on a political discussion of the procurement of new fighter planes and some ongoing debates about cuts in defense spending.

According to the *Report 2010 on Security Policy*, Swiss security policy aims to safeguard Switzerland and its population's self-determination, integrity, and livelihood against direct and indirect threats and dangers, as well as to contribute to stability and peace beyond its borders. Thus defined, Swiss national security, including the international aspects, must be preserved unilaterally or in collaboration with partners who share the same interests. (Of course, exact measures must be determined on a case-by-case, depending on capabilities, costs, and chances of success.) Swiss civil and military contributions to stability and peace beyond national borders are consistent with Swiss values and lies squarely in Swiss security interests.

3. The Political Framework and the Legal Basis for Deployment

Engagement of the Swiss armed forces is based on the Federal Law on the Armed Forces and Military Administration (Law on the Armed Forces; SR 510.10). Military engagement takes the legal form of peace-support service, assistance service, or active service. In peace-support or assistance service, members of the armed forces can be engaged abroad. Professional military personnel can be contracted for other deployments abroad. For militia personnel, participation on missions abroad is voluntary.

Assistance service for disaster-relief engagements abroad (according to Article 69 of the Law on the Armed Forces) may only follow a request from a disaster-affected state or an international organization for the benefit of victims. The procedure is regulated in a special statute for disaster relief abroad. Engagements abroad are usually unarmed. Participation in disaster-relief operations abroad is generally voluntary but can be declared obligatory if such service is rendered in areas close to the Swiss border. Bilateral agreements for disaster relief exist with Austria, France, Germany, Italy, and the Principality of Liechtenstein.

Article 69, Paragraph 2 of the Law on the Armed Forces provides the legal basis for assistance service abroad in the event that Swiss interests, such as the integrity of

Swiss citizens or Swiss diplomatic property in a foreign country, are challenged. The Federal Council determines the level and scope of armament for the members of such a task force. In June 2006 the Federal Statute regarding the “Assignments of Troops for the Protection of Individuals and Properties Abroad” entered into force. This law, together with the “Law on the Armed Forces” and the Parliamentary statute on the “Organization of the Swiss Armed Forces,” provides the legal basis to, train, equip, and prepare members of the Armed Forces Reconnaissance Detachment and Military Security. These missions abroad focus on protecting the personnel of Swiss embassies as well as rescuing and repatriating individual persons (members of the Swiss Armed Forces and civilians).

Article 65a of the Law on the Armed Forces stipulates that participation in peace-support operations or assistance service abroad may be added to the total number of service days to be served. As a rule, this provision applies only to service performed without a contract on salary basis.¹⁹ Also, the deployment for each such mission, especially in peace-support operations, is, as a general rule, performed under an employment contract according to the federal law on federal personnel and thus does not count toward a soldier’s compulsory military service.

For assistance-service missions within Switzerland, the Federal Assembly or the DDPS can call up elements of the armed forces. If more than 2,000 members of the armed forces are called up for assistance service or if the mission is expected to last longer than three weeks, the Federal Assembly must approve the mission during its next session. If the mission is completed before the Federal Assembly convenes, the Federal Council has to report (Article 70, Paragraph 2 of the Law on Armed Forces).

The whole spectrum of defense against terrorism is not defined militarily. That is, there are no military forces specifically designated to combat terrorist threats. In Switzerland, combating terrorism in the context of domestic security is primarily a civilian task for the police, legal authorities and the Federal Intelligence Service. It is part of preventive and repressive measures in the framework of national security. Prevention and, at least partially, the combating of terrorism are settled in the Federal Act about

¹⁹ In the Swiss Armed Forces two major approaches of service are distinguished. First, the reserve or militia system based on drafted citizen soldiers who are obliged to serve during several weeks per year; and second the permanent but very small professional component.

Measures to Safeguard Internal Security of 21 March 1997 (SR 120). However, in case of a major terrorist event, the armed forces can support the civil authorities, if such assistance is requested by the civilian authorities and approved by the Federal Council and the Federal Assembly. Bilateral and multilateral cooperation addressing the security of Swiss airspace and non-military threats Switzerland exist with France, Germany, Italy, and Austria. A “Letter of Intent” on cross-border cooperation was signed between Germany, Austria, and Switzerland (17 October 2006). The agreement mainly focuses on training and development of common procedures and processes in crisis management of strategic incidents (i.e. terrorist attacks), disaster relief and of major events. Finally, since 1 January 2010, Switzerland holds the chairmanship of the Committee of Experts on Terrorism (CODEXTER) of the CE.

According to the Law on the Armed Forces, Swiss military personnel can be deployed abroad only if the mission takes place under a mandate from either the UN or the OSCE. The law expressly prohibits participation of Swiss Armed Forces personnel in combat activities for peace enforcement. For members of the Swiss Armed Forces, participation in peace-support operations is voluntary. For armed missions, the Federal Council must consult the Commission on Foreign Policy and the Commission on Security Policy. If the deployment involves more than 100 members of the armed forces or if the operation lasts longer than three weeks, it requires parliamentary approval (Article 66b, Para 4 of the Law on the Armed Forces). A non-parliamentary commission advises the DDPS and the Federal Department of Foreign Affairs on political and conceptual issues concerning the deployment of Swiss military personnel and units in international peace-support operations. The participation of Swiss troops in fighting actions for peace enforcement is not allowed (Art. 66a, para 2, of the Law on the Armed Forces).

The point is that Switzerland can and does participate in various military missions around the world. Indeed, the Swiss Armed Forces were involved in International Security Assistance Force (ISAF)—with a maximum of four officers armed for self-defense—for four years. After the decision of the Federal Council of 16 April 2003, and in accordance with applicable legislation, the Swiss Parliament gave its consent for this mission in the summer session of 2003. The UN resolutions 1386, 1510, 1659, and 1776

formed the legal basis for this decision. A total of thirty-one officers, served in Kabul, Kunduz, and Faizabad. In Kunduz Swiss nationals served as liaison officers for the Provincial Reconstruction Team (PRT). Their task was comparable to that of military observers. Switzerland's engagement was in response to a request of NATO that, on 15 November 2002, had decided to lend support to the leading ISAF III nations (Germany and the Netherlands) in their process of compiling forces. The deployment of Swiss officers formed the logical continuation of Switzerland's involvement in Afghanistan in various sectors. From March 2002 to July 2005, the DDPS provided various mine experts and logistic advisers for the UN Mine Action Program for Afghanistan (MAPA) as well as supervisors for the Swiss Federation for Mine Action Clearance Project (SFMA). Through its support of the ISAF with military specialists, Switzerland demonstrated its increased solidarity with international efforts to establish stability and security according to the motto of security through cooperation.²⁰

There are limits, however, as the legal framework makes clear. In November 2007, Federal Councilor Samuel Schmid decided to recall the Swiss servicemen from ISAF by the end of February 2008. To explain his decision he pointed out that the two Swiss military persons stationed last in Kunduz had barely been able to effectively fulfill their mission because, in the changing situation, the forces had increasingly been occupied with self-protection measures. Such actions threatened to implicate Switzerland in fighting that exceeded the tolerances of Swiss neutrality as well as its domestic laws.²¹

B. SELECTED STRATEGIC FACTORS

1. Introduction

The development in the world and especially Europe in the second decade of the new century shows that the future security challenges for Switzerland are not the overwhelming power or even a direct or indirect threat of a state but the inability of

²⁰ Bundesamt für Verteidigung Bevölkerungsschutz und Sport, "*Peace Support World Wide SWISSINT, Fact sheet ISAF*", 8, accessed December 5, 2011, <http://www.vtg.admin.ch/internet/vtg/en/home/themen/einsaetze/peace/archiv/afghanistan/factsheet.html>

²¹ Ibid.

certain regions, countries, and associated states to provide stability and security. Because of disintegration and failure of states or regional and supranational destabilization, economic and, hence, humanitarian crises spring up, which can end in civil wars, mass migrations, and political radicalization in general. This development supports national and international terrorism, organized crime and the emergence of a regional or supra-regional power vacuum. These trends jeopardize the stability of Europe with devastating consequences for the security of Switzerland because of its direct economical dependency and geographical proximity. A partial collapse of Europe or even just a failure of the Eurozone is currently the most dangerous and most likely threat to Switzerland's prosperity and stability.

Growing global intercommunication fosters the fast dissemination and use of high technology like information, alternative energy, and chemical technologies. These technologies involve a high potential for economic growth but also the risk for abuse. High technology may trigger political developments by the purposeful dissemination of information, the option of an efficient allocation of resources, and the improvement of the health of the population. This dynamic generally leads to more enlightened and hence more democratized societies. But the potential of political and economic abuse is a drawback of the whole development. Governmental and non-governmental organizations and players can use the same features for disinformation, radicalization, and destabilization of societies and states.

Information, information exchange, and information infrastructure are perhaps the most critical items of society from the point of view of the option of destabilizing the society. Selective or universal influencing of information has an enormous impact on the national security of a state and especially of Switzerland because of its large representation of mainly information, based service industries. Interstate conflicts in the field of critical and illegal information trade, industrial espionage and cyber attacks are an increasing threat to wealthy states. A significant part of a modern democratic state's defense system must be a strategy and efficient tools against such incursions. Because

geographical borders do not exist for technical networks, the defense against such attacks has to be based on mutual cooperation with other states as part of a complete security strategy.

Another rising threat for Europe and Switzerland is the proliferation of means and weapons of mass destruction. It must be part of a comprehensive security strategy to avert that governmental and non-governmental actors enter into illegal possession of means of mass destruction such as biological, chemical and nuclear weapons. For this reason it must be part of the strategy to control the stream of cash of nondemocratic states and terroristic organizations, to watch over the spread of technology, and to support an international counter-proliferation policy. In addition, participation in an internationally established early warning system as well as countermeasure capabilities in different areas are a transnational obligation.

Climate changes have reached an existence-threatening dimension in Switzerland and abroad. The desolation of land, the spread of the desert, water scarcity, the melting of glaciers and permafrost, and the regional and supra-regional shortage of arable land leads to crop failure, resettlements, problematic population density, migrations and hence wealth gaps with the danger of social disturbances and conflicts. This situation fosters the development of worldwide migration movements toward geographically and economically more privileged regions like for example Switzerland and Central Europe. The consequence is an increased risk of conflicts for these regions.

A prosperous export market to the European Union is a vital factor for the economic wealth of Switzerland. Along with this goes the requirement to have access to the secure commercial routes on land, air and sea, to assure the supply of resources and the distribution of freights. The development of and access to resources, channels of distribution, and markets will be completely redistributed because of new opportunities for example, the navigability of the Bering Strait. The scarcity of resources in general will raise the potential for interstate conflicts. Limited access to natural resources

increases the threat of terror attacks, piracy, and sabotage of transportation lines and communications as well as the infrastructure of energy distribution, particularly gas, oil and electricity.

To summarize, the main threats for Switzerland and hence for the continuity of its non-alignment are risks and challenges that cannot be solved by the nation itself. The character of today's global challenges, with a high potential for regional and supra-regional conflicts, does not observe geographical borders or national institutions. As such, Switzerland, like all Europe's neutral states, must address these new challenges and its interrelations with its neighbors and partners in terms of its strategic requirements and the demands of neutrality.

III. COMPARING SWITZERLAND WITH FOUR CASES

A. INTRODUCTION

This chapter investigates and compares the security and defense policy reforms of Europe's neutral states since 1990 and the impact of these reforms on the transformation of the armed forces in each state. The test case, so to speak, is Switzerland, as this comparison is meant to illuminate the particular challenges of defense and security reform in the Swiss Confederacy. The comparative cases are those of Austria, Finland, Ireland, and Sweden, the larger European neutrals.²² The study is limited to these five cases because the other international recognized neutral states in Europe do not maintain military forces.²³

Overall, the changes within the international system of states since the end of the Cold War have placed pressure on the neutral states of Europe as they grapple with security policy reform. The similarities and differences in national experiences underscore these pressures and provide some context for the Swiss future foreign and security policy in general and its politics of neutrality in particular.

A detailed analysis of the current structure and characteristics of the different investigated armed forces is presented in the third part of this chapter. The following section focuses on the definition and state-specific concepts of neutrality.

²² This chapter is mainly based on the state-specific white papers and strategy papers, annual security policy reports, and governmental documents about the development of the security policy and the reforms of the armed forces. The comparability of security policy data and strategic concepts is, to a certain extent, limited because of the divergent national contexts and interpretation by the particular states themselves. Therefore, this study is not based on a specific data set, like for example, the statistics provided by the Organization for Security and Cooperation in Europe (OSCE), because an overly numbers-loaded approach limits the analysis and lacks an overall perspective. Security policy and military strategy cannot be investigated by the approach of an auditor.

²³ Liechtenstein, Malta, San Marino, Vatican City.

B. DEFINITION AND CONCEPTS OF NEUTRALITY

According to international law, neutrality can be generally defined as not participating in wars between other states and nonalignment with belligerents. Because of the mutual assistance clauses of different security and defense alliances—for example, NATO or CSDP—the participation of neutral states in such coalitions is debatable.

The duties and rights of internationally recognized neutral states are defined in the Hague Convention of 1907. Austrian, Finnish, Irish, Swedish and Swiss concepts of neutrality are influenced by historical legacies and current national interests. The understanding and implementation of neutrality in the five states are inherently different. Two main differences in the concepts of neutrality are permanent versus temporary neutrality or in other words peacetime versus wartime neutrality, and the policy of participation in international alliances. Austria, Finland, and Ireland interpret their neutrality relatively loosely, while Sweden adheres to stricter principles of neutrality. However, Switzerland practices the most absolute model of permanent neutrality.

The following sections provide a brief overview of the different forms of neutrality and explain state-specific peculiarities.

Austria

Austria regained state autonomy ten years after World War II and became neutral. Because of Austria's central role in Nazi Germany after the *Anschluss* in 1938, the Allies de facto imposed neutrality on Austria. The Soviet Union also made neutrality a condition for ending Allied occupation of Austria in 1955. That same year, Austria joined the UN, which on the one hand, shows Austria's early commitment to participating in international organizations and, on the other hand, its relatively loose interpretation of neutrality in comparison, to say Switzerland.²⁴

²⁴ During the Cold War Austria's neutrality played a major role because of its geopolitical situation on the east-west divide. The Austrian capital, Vienna, actually lies further east than the Czech capital of Prague, then officially part of the East bloc. Neutral Austria thus served as a favored site of official and unofficial contacts between the superpowers. It also attracted nonaligned powers from elsewhere in the world, looking to establish a presence in Europe—for example, OPEC has its headquarters in Vienna.

Austria sees its neutrality as subsidiary to international solidarity and burden-sharing within collective security in the classical sense, which is one reason for its long tradition of participating in international peacekeeping operations, not only on the European continent but also in Africa and the Middle East. Austria's international understanding of security policy shows that its neutrality is more of a political ideology of post 1945 Austrian national identity as a foundation for Austria's foreign policy than the core of a sovereign security and defense policy.

In 1995, Austria joined the EU and NATO's Partnership for Peace (PfP). By adopting the EU's legal framework, it fully committed itself to the predecessor of CSDP and completed its strategy of European integration and solidarity. In this regard, Austria has adopted a very different approach to both Europe and neutrality than Switzerland has done.

Finland

Finland became neutral by self-declaration after it gained independence from Russia in 1917. But as a former part of the Russian empire, it fought twice during World War II against the Soviet Union to maintain its sovereignty and to survive as an independent state. After the war, Finland signed the Friendship, Cooperation, and Mutual Assistance (FCMA) treaty with the Soviet Union, making territorial concessions to Russia and allowing a Soviet military base on Finnish territory. In addition Finland acquiesced to Moscow's demand not to participate in the Marshall Plan.²⁵

Finland's politics during the Cold War were characterized by ambivalence toward West and East. The fear that every rapprochement to Western institutions could be misunderstood by the Soviet Union—and hence threaten Finish sovereignty—was omnipresent. The policy of Finland vis-à-vis Russia, also known as *Finlandization*, rested on this existential decision not to challenge Russia as a powerful neighbor in foreign and security policy but, instead, to maintain national sovereignty and a strong defense based military forces.²⁶

²⁵ Finland's Neutrality. <http://countrystudies.us/finland/137.htm>. accessed December 5, 2011

²⁶ Ibid.

Finland's adamant neutrality was one reason among many that the Soviets to withdrew from their military base in 1955. The Finish accession to the UN in the same year led to an international opening for Finland. Finland's neutrality was internationally recognized in 1960.

During the Cold War, Finland championed a Nordic Nuclear Weapons Free Zone (NWFZ) to avoid nuclear attacks in a potential escalation between NATO and the Warsaw Pact. But because Denmark and Norway became NATO members, the NWFZ became a toothless tiger. Driven by the threat of Russia and the fear that, in the event of a nuclear war, Finland would become a main nuclear war theater, Finland continued to campaign for nuclear disarmament and arms control and played a major role in the Strategic Arms Limitation Talks (SALT) and the Conference on Security and Cooperation in Europe (CSCE).²⁷

Ireland

Ireland is an internationally recognized neutral state. But strikingly, the Irish constitution does not enshrine neutrality in the law of the land. Irish neutrality dates back to the late nineteenth century. Amid a potential war between Britain and Spain, the United Irishmen brought up the idea to establish a united, independent, neutral Irish Republic. In the twentieth century, Ireland's neutrality was mainly defined by remaining neutral during World War II, the Cold War, and other recent conflicts.

In 1955, Ireland joined the UN, and since the sixties, it has participated in UN-led peacekeeping missions in Europe, Africa, and the Middle East. Ireland has been a EU member state since 1973. The compatibility of Ireland's neutrality with its membership in the EU was debated in the EU treaty referendum campaigns in Ireland in 2008, and because the first ratification failed, its entry into the Lisbon Treaty was delayed for more than a year;²⁸ ultimately, the issue was resolved by the introduction of what is commonly known as the Irish clause in the Lisbon Treaty. On the one hand, this turn of events demonstrates that Ireland, which is already in an early stage of European integration,

²⁷ Finland's Neutrality. <http://countrystudies.us/finland/137.htm>.

²⁸ Irish Neutrality: A Future? 2009. <http://www.nuigalway.ie/law/GSLR/2010/Vol4GSLR%20-%20Egan.pdf>, accessed December 8, 2011.

decided to participate more fully in the EU. On the other hand, it shows that the insular state approaches the requirements of European law with certain skepticism, especially regarding its own security policy and neutrality.²⁹

Ireland's neutrality has some other particularities. One is its open policy toward foreign troops within its territory. During the Cold War and various military operations against terror in the aftermath of 9/11, Ireland authorized transit flights and ground refueling of foreign military aircraft—measures that would represent unthinkable breaches of neutrality to Swiss thinking.

Sweden

In contrast to Switzerland, Swedish neutrality is not perpetual. Because of Sweden's challenging situation during World War I and World War II—with both its sovereignty and security under pressure—as well as for economic reasons, Sweden had to adapt its neutrality during the wars. For example, it granted transit rights to German troops, which was not neutral at all. (Switzerland, for example, denied the Germans such passage.) Sweden did manage to press some of the prerogatives of neutrality during World War II, inasmuch as its armed forces remained out of the fighting. In peacetime, however, the Swedes seemed more interested in “neutrality” as non-alignment beyond, perhaps, some regional engagement.

In 1946, Sweden joined the UN and, in parallel, joined the discussion of a Nordic defense alliance, which ended with the accession of Denmark and Norway to NATO membership. Sweden's policy of non-alliance continued until 1995, when it became a member of the EU. For Sweden its accession to the EU was fully compatible with its understanding of neutrality because Sweden's commitment to the EU is mainly economic. Unlike Ireland, the Swedes had no issue in the membership referendum in 1995 or during the ratification process of the Lisbon Treaty.

²⁹ Irish Neutrality: A Future? 2009. <http://www.nuigalway.ie/law/GSLR/2010/Vol4GSLR%20-%20Egan.pdf>, accessed December 8, 2011.

Switzerland

Switzerland's understanding of neutrality outlaws any participation in security or defense alliances during peacetime or war. Thus, neutrality in Swiss history has necessitated an autonomous security and defense policy and, hence, relatively strong armed forces. In the event, Switzerland has avoided war on its soil for more than 150 years. Amid such success, the political and economic elite, as well as Swiss citizens, associate very closely and positively with neutrality. Due to its neutrality, Switzerland was highly esteemed as a diplomatic intermediary during the Cold War and became a popular state for the head offices of international organizations.

Indeed, although several major UN offices and institutions are at home in Geneva and elsewhere in the country, Switzerland resisted joining the UN itself until 2002, following a referendum on the question of membership and neutrality. Similarly, Switzerland has become a member of neither the EU nor NATO.

Despite a certain loosening of the Swiss understanding of neutrality in recent years—demonstrated by Swiss participation in different peace building missions led by the UN, PfP and OSCE—the Swiss really have not adapted neutrality to the changed international security environment since the end of the Cold War. For Switzerland, neutrality is still a reliable concept that meets the goals of its national interests in a globalized world, and it has never been fundamentally questioned.

C. ARMED FORCES TRANSFORMATION AND DEVELOPMENT

In view of the changed security environment in Europe since 1990, a transformation process of the armed forces was inevitable. The major development is the paradigm shift of the armed forces from territorial defense to multifunctional tools for national and international crisis management. This transition of the security policy and military forces in the European region was and is not unexpected; nor is it a linear process. Instead, multifactorial national and international subjects, not least triggered by the state finances, shape it. Nevertheless there are some general multinational trends that describe how reforms in security affairs develop and how the armed forces tend to transform.

In essence, there were three waves of reforms. The first reforms were initiated in the early nineties, mainly motivated by cost-cutting measures, which led to a quantitative reduction of the armed forces. The gigantic military apparatus of the Cold War was just too expensive. Nonetheless, no major strategic realignments were made during the first wave. The principle of the “mass army” remained the same, but personnel and materiel were reduced.³⁰

In the middle of the 1990s, the second reform phase was initiated. This period led to a reorganization of the security apparatus and changed and extended the spectrum of tasks for the armed forces. One of the main reasons for this development was the need for advanced international cooperation, for example in the Balkan wars and with states of the former Warsaw Pact. Emerging states at the eastern periphery of Europe, as well as the non-aligned and neutral states of northern and central Europe, commenced their cooperation within the framework of PfP, motivated by maintaining peace and stability in the post-Cold War Europe. The shift in NATO’s strategy to commit troops in peace building operations provided a new dimension to Europe’s neutral state. By joining PfP, the neutral states had the opportunity to actively shape peace and stability in Europe, without infringing neutrality. International peace-building operations require high standards in interoperability. Synchronization of the doctrine and the joint planning and command capabilities are key to successful cooperation. This development led to a realignment of national security strategies and a “rightsizing” of the structure of the armed forces. Consequently, the professionalization of the armed forces and a related cost-driven downsizing ensued.³¹

The third phase of reforms started at the turn of the millennium and is still ongoing. It is mainly driven by the experiences and lessons learned from the peace-building operation of the early years of international cooperation. The main goal is

³⁰ Transformation moderner Streitkräfte – Warum, wofür, wohin, wie? 2011. <http://www.globaldefence.net/artikel-analysen/1218-transformation-moderner-streitkraefte-warum-wofuer-wohin-wie.html>, accessed December 8, 2011.

³¹ Sicherheitspolitik und Streitkräftetransformation in kleineren europäischen Staaten – die Fallbeispiele Niederlande, Dänemark und Schweden. 2006. http://www.swp-berlin.org/fileadmin/contents/products/arbeitspapiere/tgt_Niederlande_D_nemark_Schweden_formatiert_ks.pdf, accessed December 8, 2011.

enhancing the efficiency of crisis management in a globalized world, including a high standard of modularization and flexibility of the armed forces to meet the requirements for the current challenges in peace-building and crisis management. (The modular organization of armed forces shortens the response time and improves international task forcing capabilities.) The ongoing high-tech trend in the field of procurement financially challenged the third-wave transformation and led to additional reductions in personnel in order to afford state-of-the-art military technology.³²

The foregoing explanations of the general trend in armed forces transformation in Europe since the end of the Cold War do not apply to every state equally. However, this discussion provides a structure by which to analyze the reforms and transformation in security policy and military forces of European neutral states Austria, Finland, Ireland, Sweden, and Switzerland have all shifted their national security strategies toward stronger international cooperation, though they each follow different approaches and priorities. Sharing the label of neutrality does not indicate that they share their national security strategies. Neutrality and the absence of the NATO alliance impose certain parallels that also lead to distinctive differences, shaped by geopolitical factors, political institutions and different systems of democracy, socio-political factors, and financial parameters, as the following sections illustrate.

Austria

Austria's conception of neutrality is based on its geopolitical environment during the Cold War. Austria could be seen as a buffer zone between the West and the East, although in reality, the Warsaw Pact planned to overrun this neutral nation in the event of a NATO/Warsaw Pact war.

With the end of the Cold War Austria's geopolitical situation changed from the frontier to the center of Europe once more. Upon the opening of the borders to the eastern states, Austria became a highly frequented transit state for refugees from the east, and its proximity to the Balkans led to new threats from the southeast with resonances of the

³² Transformation moderner Streitkräfte – Warum, wofür, wohin, wie? 2011.
<http://www.globaldefence.net/artikel-analysen/1218-transformation-moderner-streitkraefte-warum-wofuer-wohin-wie.html>, accessed December 8, 2011.

past. This changed security environment motivated Austria to reconsider its foreign and security strategy, which ended in its accession to the EU in 1995.³³ This step more or less ended Austria's international-legal neutrality, though the country retains a political culture of peaceful resolution of conflict, although it has now a record of security building operations in ex-Yugoslavia via international organizations. Indeed, during the accession negotiations, the aspect of neutrality was mainly factored out. Austria stated that it was willing to follow the guidelines of the CSDP. From Austria's point of view, the CSDP could be agreed to without any caveats because the EU grants a veto right to the security policy concerns of its member states.³⁴

Based on its EU membership and the deployment of the armed forces for border control during the Balkan wars, the reform of the security policy and the transformation of the armed forces have been accelerated. The *Heeresgliederung 92* strategy paper abandoned the concept of territorial defense, and the army was reduced from 240,000 to 150,000. The reorganization implemented a brigade structure to achieve more flexibility in deploying troops. This reform implicated a new concept of operation focused on national and international crisis management.³⁵

In the early nineties Austria concluded that its future security policy challenges will be in foreign areas. Thus, it adopted the so-called concept of *VOREIN*, which governs future participation in international missions based on UN mandates. The additional intention to participate in PfP activities was a further step toward strengthened international cooperation.³⁶

³³ Die Entwicklung der militärstrategischen Konzeptionen des Österreichischen Bundesheeres von 1955 bis 2005. 2005. <http://www.bmlv.gv.at/omz/ausgaben/artikel.php?id=302>, accessed December 8, 2011.

³⁴ Ibid.

³⁵ Ibid.

³⁶ Ibid.

To prevent conflicts of law due to its neutrality, Austria adapted its constitution and incorporated the Petersberg Tasks³⁷ and the additional requirements demanded by the CSDP. This change led to Austria's renunciation of permanent neutrality, though it retains an express affinity for its cultural "neutrality," typically understood in a no to manipulation by larger, outside powers. The realignment of Austria's security policy in the 1990s marked a huge step toward the EU and international cooperation but did not include a NATO accession, although Austria has been deeply involved in NATO's Partnership for Peace. NATO air strikes against Yugoslavia in the mid and later 1990s reinvigorated the political debate about neutrality and made joining NATO virtually impossible. But this controversy did not hamper Austria's international participation in peace-enforcement and peacekeeping mission in the Balkan Wars of 1995 and 1999.

Austria's international engagement became very common. The structure of the armed forces answers this development in the *Heeresgliederung 98* by implementing a new headquarters and special command for international missions. In addition to that the head-count was reduced from 150,000 to 110,000. This trend confirmed the turning away from territorial defense toward national and international crisis management in cooperation with the European alliance.³⁸

An overarching top-down approach did not trigger the transformation of the Austrian armed forces with a growing role for security building missions out of the country versus traditional territorial defense. It followed a more bottom-up concept, which pragmatically developed the requirements to meet the challenges of security policy of the nineties. In 2000, the Austrian government started to review development between 1989 and 1999. The result ended in a National Security and Defense Doctrine, which the

³⁷ The "Petersberg Tasks" are an integral part of the European security and defense policy (ESDP). They were explicitly included in the Treaty on European Union (Article 17). The Treaty of Lisbon (Article 42 of the TEU) complements the range of missions, which may be carried out in the name of the European Union (EU). From now on, they cover: humanitarian and rescue tasks, conflict prevention and peace-keeping tasks, tasks of combat forces in crisis management, including peacemaking, joint disarmament operations, military advice and assistance tasks, post-conflict stabilisation tasks. These tasks were set out in the Petersberg Declaration adopted at the Ministerial Council of the Western European Union (WEU) in June 1992. On that occasion, the WEU Member States declared their readiness to make available to the WEU, but also to NATO and the European Union, military units from the whole spectrum of their conventional armed forces.

³⁸ Österreichisches Bundesheer. Landesverteidigungsrat empfiehlt neue Heeresgliederung, 1998. <http://www.bmlv.gv.at/cms/artikel.php?ID=1591>, accessed December 8, 2011.

parliament adopted in 2001.³⁹ The EU and its CSDP play a central role in the entire concept. The security of Austria and the EU are inseparably linked.

The doctrine of Austria's security strategy assesses the risks and threats for the state between the Rhine and Danube, not between states, but in the field of domestic conflicts of its neighbor countries and the danger of a spillover effect on Austria. The threats of terrorism and domestic disaster relief have another important impact on its national security strategy. Based on this development, Austria follows a consequent strategy of international cooperation to the disadvantage of its neutrality.

Both to meet the requirements of the caveats of the European Security and Defense Policy (ESDP) and to have the means to react to the current threats, Austria launched a reform commission in 2004 to establish a concept for the future development of the armed forces. The guidance based on this concept included a reduction of the head count to 55,000 and a rearrangement of the resources for the benefit of the international cooperation.⁴⁰ In addition, Austria decided to provide 3,500 soldiers to the European reaction forces and 200 soldiers to participate in the EU Battle Group.⁴¹

Beside the developments in Austria's security policy toward strong international cooperation its territorial defense, policy is established in its constitution. Hence a definitive renunciation from the defense capabilities entailed an adjustment of the constitution. There are limits to this change, however, based on Austrian political sensibilities and the Austrians sense of their own past. In this connection, the Social Democrats (SPÖ) insist that the option of NATO accession will not be mentioned in the upcoming security strategy of 2011⁴² Furthermore, Austria has retained its conscription

³⁹ Sicherheits- und Verteidigungsdoktrin vom Nationalrat beschlossen, 2001.
<http://www.bmlv.gv.at/cms/artikel.php?ID=2081>, accessed December 8, 2011.

⁴⁰ Bundesministerium für Landesverteidigung. ÖBH 2010: Die Realisierung, 2005.
http://www.bmlv.gv.at/facts/management_2010/pdf/dierealisierung.pdf, accessed December 8, 2011.

⁴¹ An EU Battle Group (BG) is a military unit adhering to CSDP of the EU. Often based on contributions from a coalition of member states, each of the eighteen Battle Groups consists of a battalion-sized force (1,500 troops) reinforced with combat support elements. The groups rotate actively, so that two are ready for deployment at all times. The forces are under the direct control of an unanimous European Council (heads of state, or often heads of government of countries where the head of state is largely a symbolic position, of member states) of the EU.

⁴² Bundesministerium für Landesverteidigung. ÖBH 2010: Die Realisierung, 2005.
http://www.bmlv.gv.at/facts/management_2010/pdf/dierealisierung.pdf.

system, and, thus, a relatively small professional component—a move that distinguishes Austria from most of its neighbors except Switzerland.

Finland

In 1990, Finland declared an end to the provision of the Paris Peace Agreement of 1947, which limited Finland's sovereignty. Finland's release from the legacies of the Cold War led to a reevaluation of its security policy and the reform of its military apparatus and concept of territorial defense. In 1992, Finland limited its neutrality to the core of an alliance-free defense but signaled a strong interest in international cooperation. In 1995, Finland joined the EU at the same time that Sweden did. This step was primarily economically motivated. Finland also was convinced that its active participation in the EU would help to shape Europe's future and hence maintain its own national sovereignty.

Also, in the early nineties Finland signed onto PfP. However, it did not request NATO membership because it saw itself in a more established situation than the new emerging states in the east, for example, the Baltic States. In contrast to Finland, these newcomers had to prove their commitment to the west. Meanwhile, Finland remained leery of provoking Russia by joining NATO.

Unlike most of the other neutral states in Europe, Finland kept its strong territorial defense capabilities and approached international cooperation using the concept of “the best of both strategies.”⁴³ In the first phase of reform, Finland reduced its standing army by about 200,000, to 500,000; and in a further step, the Finnish armed forces were drawn down to 430,000 by 2008.⁴⁴ From the beginning, Finland participated in international missions, which led to great prestige in the CSDP of the EU.

The entire Finnish transformation after the Cold War was shaped in three main strategy concepts. The so-called *Finish Security and Defense Policy Report*, which was

⁴³ The “best of both strategies” means to keep the core competences in the conventional defense concept of the Cold War on one hand but to develop additional competences in peace-keeping and crisis management missions, on the other hand.

⁴⁴ Prime Minister's Office. *Finish Security and Defence Policy 2001*, Report by the Government to Parliament, 2001. <http://www.defmin.fi/files/1149/InEnglish.pdf>. accessed December 8, 2011.

first published in 2001, was followed by two additional reports in 2004 and 2009.⁴⁵ All the reports confirm a strong commitment to territorial defense and international cooperation, while the national defense component is clearly prioritized and will stay the pillar of Finland's armed forces because of its historical experiences and proximity to Russia. Nevertheless, Finland is strongly committed to several security institutions like CSDP, NATO/PfP, and the Nordic Defense Cooperation and continues to maintain a strong military force, today numbering about 300,000.

Ireland

In the European security architecture Ireland is and was an exception. Compared to Finland and Austria, during the Cold War, Ireland was, from a geostrategic point of view, not that important due to its relative military weakness and a lack of natural resources. This circumstance allowed Ireland to keep its defense spending low. The end of the Cold War had no major impact on Ireland's security policy. In comparison to the other four states, Ireland never questioned the compatibility of neutrality and European integration. Nevertheless, the changes in the European security environment had a certain impact on Ireland's security policy. Because of globalization and the increase of transnational conflicts, Ireland initiated a stronger commitment to the UN.

The main impact on the development of Ireland's security policy was the Good Friday Agreement⁴⁶ in 1998 between the Republic of Ireland, Great Britain, and Northern Ireland. This peak in the Irish peace process reduced the internal threat of terror because of the Northern Irish Conflict and opened new opportunities for the armed forces in the field of international peace building.

In order to be prepared for international cooperation Ireland joined the PfP in 1999. It participated in the NATO-mission in Bosnia, Stabilization Force (SFOR) and Kosovo, Kosovo Force (KFOR). The paradigm shift from domestic deployment to international engagement initiated a restructuring of the Irish armed forces in the late

⁴⁵ Prime Minister's Office. Finish Security and Defence Policy 2004, Report by the Government to Parliament, 2004. http://www.defmin.fi/files/311/2574_2160_English_With_paper_2004_1_.pdf.

⁴⁶ The Belfast Agreement, alternatively and widely known as the Good Friday Agreement, and occasionally as the Stormont Agreement, was a major political development in the Northern Ireland peace process.

nineties. This reform was mainly organizational; it reduced the infrastructure and modernized equipment. New training facilities for peace building missions have been erected and the equipment was adapted to meet international standards.

In 2000, the one and so far only white paper on Irish defense was published. It shares the threat assessment of the other neutral states in Europe and highlights the impact of refugee flows on Ireland. The main tasks for the armed forces are defined by national defense, support of domestic police forces, and international peace building. International cooperation was established as the core task. In the 2000 white paper, the legal framework for participation, in EU and NATO led missions were added; a UN-mandate is still required and Ireland made a strong commitment to the CSDP.⁴⁷

The Irish defense minister confirmed this security and defense policy in 2003, in the *Strategy Statement 2003–2005*. In the threat assessment, the dimension of international terrorism has been added and other important statements like the so called “triple lock” decision making process, which emphasizes that a mandate of the UN mandate is mandatory for Irish participation in international operations. Ireland provides 850 soldiers to the EU in fulfillment of the Petersberg Tasks.⁴⁸

In the 2007 review of implementation of the *White Paper on Defense*, Ireland stated that the security strategy remains unchanged. Ireland steadily approved its commitment for international peace building operations, for example, by the participating in the Planning and Review Process (PARP) of the PfP and its commitment to Nordic Battle Groups under the lead of Sweden. The Irish contribution to the CSDP is not a reason to question Irish military neutrality. In an official document, named *Strategy Statement 2008–2010*, Ireland adhered to its internationalization strategy.⁴⁹ The announced white book for the timeframe 2011–2020 will not bring major reforms. But

⁴⁷ Departement of Defence. White Paper on Defence, 2000. <http://merln.ndu.edu/whitepapers/Ireland-2000.pdf>. accessed December 8, 2011.

⁴⁸ The Petersberg tasks cover a great range of possible military missions, ranging from the most simple to the most robust military intervention. They are formulated as: Humanitarian and rescue tasks, Peacekeeping tasks, tasks of combat forces in crisis management, including peacemaking.

⁴⁹ Department of Defence and Defence Forces. Strategy Statement 2008–2010. 2008. [http://www.defence.ie/WebSite.nsf/fba727373c93a4f080256c53004d976e/a221c63d3721aa2f802573f400554af9/\\$FILE/Statement%20of%20Strategy%202008–2010.pdf](http://www.defence.ie/WebSite.nsf/fba727373c93a4f080256c53004d976e/a221c63d3721aa2f802573f400554af9/$FILE/Statement%20of%20Strategy%202008–2010.pdf). accessed December 8, 2011.

the economic crisis in Ireland will have for sure also a certainly impact its security apparatus, especially in the field of personnel and the procurement of new systems.

Sweden

In contrast to Ireland, the end of the Cold War had a significant impact on Sweden's foreign and security policy. The direct threat to Sweden from the east was reduced. The Baltic States became independent from the Soviet Union; Poland faced west, and the former East Germany was integrated into West Germany. Based on this remarkable change in the Swedish security environment, Sweden initiated a fundamental reform of its security strategy and armed forces, which greatly affected its neutrality policy.

Until 1989, Sweden viewed participation in the European Community as incompatible with its neutrality. But after the Cold War in 1991, Sweden submitted a request for EU membership, in the wake of a new and less restrictive interpretation of its neutrality policy. The Swedish parliament redefined neutrality as the absence of alliances during peacetime, but also admitted the possibility of military alliances during war. Sweden's accession to the EU in 1995 was not only economically motivated; Sweden had a strong intention to actively shape the new security architecture in Europe.

The reform process between 1990 and 1995 had a strong impact on Sweden's national politics. The armed forces, however, remained nearly unchanged during this period. Sweden's military was 750,000 soldiers strong. Its strategy was geared to territorial defense. The initial step in the transformation of Sweden's armed forces started in 1995 with its participation in PfP and the signing of the Maastricht Treaty.⁵⁰

The Swedish parliament adopted a bill renewing Sweden's defense in 1996.⁵¹ The resolution stated that Sweden's security environment had radically changed after the Cold War. Because of the collapse of the Eastern Bloc the risk for a direct military attack became unlikely. Instead new threats like proliferation of weapons of mass destruction,

⁵⁰ The treaty led to the creation of the euro, and created what was commonly referred to as the pillar structure of the European Union, including the main pillars of the future CSDP.

⁵¹ The Government and the Government Offices of Sweden. The Renewal of Sweden's Defence: Phase 2, 1996. Stockholm. <http://www.sweden.gov.se/content/1/c6/02/56/49/e043d837.pdf>. accessed December 8, 2011.

terrorism and environmental and civil catastrophes were added.⁵² Hence the new strategy shifted from a single defense approach to international peace building and domestic disaster relief. Its standing military was reduced to 300,000, and the structure was consequently adapted to the flexible and modular needs of multipurpose forces. The report *A Changing World—A Reformed Defense*⁵³ of 1998 underlined the development of the Swedish security policy toward the strong international cooperation of the EU member states in peace building and made a convincing commitment to the Petersberg Tasks.

In 1999, Sweden's defense commission stated that based on a ten-year forecast, a direct military invasion is unlikely. This assessment initiated a further reduction of the defense capabilities and fostered the commitment vis-à-vis the CSDP and NATO's PfP. Sweden augmented its military personnel for EU's rapid reaction forces up to 1,500 and 1,100 for the Nordic Battlegroup (NBG).⁵⁴

In the aftermath of 9/11 Sweden's defense commission underlined the importance of the war against terrorism and initiated a bill called *Our Future Defense*.⁵⁵ Sweden further reduced its defense capabilities on behalf of the international engagement. The international concept provides military forces for two missions in the strength of one battalion each, in addition to three smaller units for limited missions.

Along with Sweden's development of its international capabilities came the enlargement of its professional armed forces and the peacetime abolishment of

⁵² The Government and the Government Offices of Sweden. *The Renewal of Sweden's Defence: Phase 2, 1996*. Stockholm. <http://www.sweden.gov.se/content/1/c6/02/56/49/e043d837.pdf>, accessed December 8, 2011.

⁵³ The Government and the Government Offices of Sweden. *A Changing World – A Reformed Defence*. Stockholm. <http://www.regeringen.se/content/1/c6/02/56/44/5f48200a.pdf>, accessed December 8, 2011.

⁵⁴ The Government and the Government Offices of Sweden. *European Security – Sweden's Defence*. Stockholm. 1999. <http://www.regeringen.se/content/1/c6/02/56/72/79721b3b.pdf>, accessed December 8, 2011.

⁵⁵ The Government and the Government Offices of Sweden. *Our Future Defence – The focus of Swedish defence Policy 2005–2007*. Stockholm, 2004. <http://www.sweden.gov.se/content/1/c6/03/21/19/224a4b3c.pdf>, accessed December 8, 2011.

conscription,. Sweden's close cooperation with NATO has a large stake in the Nordic Defense Cooperation and approves its joint capabilities for international operations, especially with its navy and air force.

Switzerland

After the Cold War, Switzerland found itself for the first time far away from a direct external threat. Because of the significant changes of the security environment the Swiss citizens, politicians, and economy demanded reform of the Swiss security policy and hence a renunciation of the independent territorial defense strategy based on the 1973 concept. Switzerland reacted to the so-called *Report 90 on the Swiss Security Policy* on the changed security environment in Europe by proposing a popular initiative for the abolishment of the Swiss Armed Forces, which has not been successful. *Report 90* can be seen as a transitional strategy from territorial defense to the new security challenges of the early nineties.⁵⁶

In contrast to the report of 1973, the *Report 90* analyzes not only the threats but also the possibilities for cooperative efforts facing a secure Europe. In addition the report contains threats, which are not motivated by power policy, such as environmental or civilization-conditioned threats. The report resulted in three newly defined tasks for the armed forces: international peace building, prevention of war, and thirdly territorial defense. The strategy adhered to the concept of armed neutrality. *Report 90* led to the *95 Guidance for the Armed Forces*. The major aspects of reform were the reduction of the armed forces from 600,000 down to 400,000 and the implementation of a more flexible and modular brigade structure.⁵⁷ The aspect of stronger international cooperation was retarded because of the refusal of a Swiss blue helmets contingent in 1994 by a national referendum. However, Switzerland adhered to the internationalization of the security policy and accessed the PfP in 1996.

⁵⁶ Schweizerische Sicherheitspolitik im Wandel: Bericht des Bundesrates an die Bundesversammlung über die Sicherheitspolitik der Schweiz vom 1. Oktober 1990. 1990. 847–904. <http://www.parlament.ch/d/dokumentation/dossiers/sipol/Documents/sipol-90-061-bericht-d.pdf>, accessed December 8, 2011.

⁵⁷ Bericht des Bundesrates an die Bundesversammlung über die Konzeption der Armee in den neunziger Jahren (Armeeleitbild 95). Bern. Bundesamt für Bauten und Logistik, 1992. 850–1015.

In 1999, the Swiss Department for Defense presented *Report 2000*, which stated a stronger intention toward cooperation but simultaneously emphasized the importance of military neutrality and sovereignty.⁵⁸ Switzerland started its deployment in the Balkans and acceded to the UN in 2002. *Report XXI* on the armed forces provided a solid concept for the future of the Swiss national security strategy, but due to a huge national debate led by the far right party, the strategy faced difficulty during implementation.⁵⁹ Hence, Swiss security strategy remained torn between more outgoing international cooperation and staying the same—and static.

The latest report on the Swiss security policy, published in 2010, is a compromise among the different political claims on the Swiss armed forces. The core of the 2010 report focuses more on the domestic cooperation between the different security institutions but also adheres to a strong international cooperation. The approach of an autonomous defense strategy remains based on a consequent policy of neutrality.⁶⁰

But because of financial challenges, a reduction of the armed forces to 100,000 and correlated adaptations of the organization and structure will be the consequences of the latest development. Based on *Report 2010* of the armed forces, international cooperation will be reinforced with up to 1,000 soldiers.⁶¹

To sum up, the transformation of Europe's armed forces includes three main fields. First, doctrinal reforms, which result from the changed threats and the associated new missions for military forces in an international environment away from territorial defense facing the challenges of multispectral crisis management. Second, there was a strong structural transformation from conscripts to professional forces, from fixed structures to modular units and toward multipurpose capabilities. Third, developments in

⁵⁸ Sicherheit durch Kooperation: Bericht des Bundesrates an die Bundesversammlung über die Sicherheitspolitik der Schweiz (SIPOL B 2000). Bern. Bundesamt für Bauten und Logistik, 1999, S. 7658–7736.

⁵⁹ Bericht des Bundesrates an die Bundesversammlung über die Konzeption der Armee XXI (Armeeleitbild XXI). Bern. Bundesamt für Bauten und Logistik, 2002. 966–1051.

⁶⁰ Bericht des Bundesrates an die Bundesversammlung über die Sicherheitspolitik der Schweiz vom 23. Juni 2010. Bundesamt für Bauten und Logistik, 2010. 5133–5221.

⁶¹ Ibid. 5133–5221.

the field of the operations are key essential aspects. Jointness and interoperability among the different armed forces are required competencies.

D. NATIONAL SECURITY STRATEGIES AND ARMED FORCES

This section provides a brief comparative analysis of selected aspects of the different neutral states and their armed forces. This section is intentionally issues-structured and not organized by state. The three chosen factors are the threat assessment, the legal framework, and the mission spectrum of the armed forces. Those three factors are chosen because they are highly influenced by the states neutral security and defense policies. The study resists focusing on financial and human resources and the different models of services, professional versus conscript, as well as the different methods of training. National finances and not the concept of neutrality mainly influence those aspects. However, this caveat should not suggest these other aspects are less important; rather, it would exceed the topic of this study to analyze them.

Threat and Risk Assessment

The threat and risk assessment of the neutral states studied here show certain similarities. All states agree that the conventional threat of a war in Europe is unlikely. However, none of the neutral states completely rule out the risk of a direct or indirect military attack. Consequently, they seek to retain a core competency in territorial defense. Based on a stable and secure security environment in Europe, the states here recognize the danger of conflicts and war at the periphery of Europe, especially in the east and south. While, in the case of emerging conflicts, the fighting may occur far from the neutrals' borders, they fear attendant risks, for example refugee flows.⁶² Due to globalization, all five states anticipate an increase of transnational threats, like terrorism, proliferation of weapons of mass destruction, and organized crime. From the point of view of domestic threats, they agree on a certain risk of environmental disasters and ecological catastrophes.

⁶² Bericht des Bundesrates an die Bundesversammlung über die Sicherheitspolitik der Schweiz vom 23. Juni 2010. Bundesamt für Bauten und Logistik, 2010. 5133–5221.

Besides the parallels in the threat and risk assessment, there are some major divergences among strategies. In contrast to the EU-member states, Switzerland assesses security in Europe more skeptically but appreciates the positive effect of NATO and EU/CSDP on the security and stability in Europe. Based on geopolitical location, Sweden and Finland have a different perspective on Russia, while Austria is more concerned with the Balkan region. Switzerland sees a certain risk in the flow of refugees because of its relative proximity to the Adriatic and Mediterranean Sea, as well as the potential spillover from refugees from the Maghreb States.⁶³

Additional differences exist relating to the security institutions of the EU and NATO. For the EU-member states, the CSDP is highly important and directly affects the states' national security policy and strategy. NATO plays a more important role in the Nordic states like Sweden and Finland than it does for Austria, Ireland, and Switzerland, mainly because of the very close cooperation with Norway as a NATO member in the NBG.

Legal Framework

The political and conceptual alignment of the armed forces differs significantly in the investigated states. There are major distinctions on how the constitution and the different legal frameworks are shaped. Based on the legal framework and the political term, office reforms and transformations proceed faster or slower. The main differences are found in political and public opinions. While in Finland, Ireland and Sweden the constitutional concerns are limited, in the case of Austria and Switzerland, the citizens have the final say in national referendums.⁶⁴

In all five states at issue here, the framework for the armed forces is provided in the relevant law. In the case of Austria and Switzerland, most aspects of defense are

⁶³ Bericht des Bundesrates an die Bundesversammlung über die Sicherheitspolitik der Schweiz vom 23. Juni 2010. 5133–5221.

⁶⁴ Armeebericht 2010. 2010.
<http://www.vbs.admin.ch/Internet/vbs/de/home/documentation/bases/verteidigung.parsys.62529.download>List.72287.DownloadFile.tmp/armeeberichtd.pdf>, accessed December 8, 2011.

established in the constitution. Hence, profound reforms demand an adaptation of the constitution, which entails a longer political process than, for example, in Sweden, where only the military law has to be adapted.

Mission Spectrum of the Armed Forces

The missions of the armed forces are essentially identical among all the neutrals. All the states have three main missions for their military forces: defense, providing assistance to the civil authorities in crisis management, and international disaster relief and peace building.⁶⁵

In the case of defense, the main difference is the question about where territorial defense starts. For example, based on its neutrality policy, Switzerland considers territorial defense to begin with the state's territory, while the other neutral states take the view that territorial defense starts beyond national borders. This different point of view has an enormous impact on the national security strategy and armed forces doctrine.⁶⁶

E. CONCLUSION AND PROSPECTS

The neutral states in this comparison comprise the classical neutral states in Western and Central Europe during the Cold War. Despite their differences, particularly Austria, Finland and Sweden have been important benchmarks for the development of the Swiss security policy and military strategy during the East-West conflict. This fact changed after the fall of the Iron Curtain. Switzerland remained the only neutral state that is not part of the EU and, hence, is the only real alliance-free armed neutral state in Europe. Since all of the five states are not members of NATO, (although they play not inconsiderable qualitative roles within PfP) they continue to be an important point of reference for the security policy of Switzerland and are comparable states.

⁶⁵ Armeebericht 2010.
[http://www.vbs.admin.ch/Internet/vbs/de/home/documentation/bases/verteidigung.parsys.62529.download List.72287.DownloadFile.tmp/armeeberichtd.pdf](http://www.vbs.admin.ch/Internet/vbs/de/home/documentation/bases/verteidigung.parsys.62529.download/List.72287.DownloadFile.tmp/armeeberichtd.pdf), accessed December 08, 2011.

⁶⁶ The Government and the Government Offices of Sweden. *A Functional Defence*, 2010.
<http://www.sweden.gov.se/content/1/c6/13/77/05/1705333d.pdf>, accessed December 8, 2011.

The concepts of the national transformation processes vary depending on the states' policies. In all the investigated cases, the three-stage approach of the reforms and transformation can be identified: a reduction of the personnel and infrastructure; an adaptation of the strategy to the changed security environment and a correlated adaptation of the structure and organization of the armed forces toward a more flexible, modular multifunctional military force; and an accentuation of the trend toward smaller, increasingly specialized forces, often prompted by financial cost cuts. The enormous increase of cost in the procurement and maintenance of new high-tech systems tightened the ongoing development. Based on this study, it can be summarized that none of the reforms and transformation processes in the investigated neutral states are concluded or even heading toward its final phase. The entire phenomenon seems to be an iterative process that can be identified as permanent change.

As far as neutrality is concerned, all of the investigated states intend to hold on to their patterns of neutrality, which confirms that the concept of neutrality allows many different interpretations, including variants that accommodate the political framework of the CSDP. But it must be underlined that Switzerland remains the only alliance-free neutral state in Europe that maintains armed forces. Hence, the author's thesis that neutrality is obsolescent, except for Switzerland, is confirmed.

Austria

Currently, Austria is conceptualizing its new security and defense doctrine for the middle of 2011 to replace its 2001 strategy, a process driven forward by budget stringency as well as an intense civil-military debate over the retention of conscription. The new strategy will focus much more on domestic disaster relief and international peace building to the disadvantage of the territorial defense capabilities on the heavy, mechanized model of earlier times. The paradigm shift away from defense supports resource allocation in the area of international missions. Following the prevailing political opinion, NATO accession is not an issue anymore and will not be mentioned in Austria's new strategy document. Furthermore, Austria has so far retained conscription, despite domestic crisis about same, thereby resisting the trend toward professionalization

of the armed forces that even long-time holdouts like Germany and Sweden have latterly embraced. In addition, Austria is working on a comprehensive crisis management strategy, including national and international institutions and defining the role and participation of Austria's armed forces.

Finland

Finland is implementing the new *Finnish Security and Defense Policy 2009*. This policy is based on the identically named strategy concept of 2004. The strategy intends to follow a double-track approach, national and territorial defense and multilateral cooperation with a main focus on peace building. Its armed forces will be reduced to 250,000, which, in comparison to the other states mentioned, is a relatively modest reduction, at least from the most recent numbers.

NATO accession will not be precluded and is part of further conceptual evaluations.

Ireland

Ireland presents itself as an exception. The strategy of the armed forces mainly focuses on advanced police tasks, like riot control and combating domestic terror. Also in Ireland, there is a trend away from internal deployments toward a strong engagement in international crisis management. In comparison to other states, Ireland's percentage reduction of military personnel during the last ten years is not as significant as it is in other states, for example, Austria or Switzerland.

The new white book for Ireland's future security strategy covers the timeframe 2011–2020 and can be expected by the end 2011.⁶⁷ There will be no major strategic changes. Because of Ireland's challenging financial situation, there is a certain tendency to further reforms and cutbacks, especially with the procurement of modern armaments and systems and wage bills for professional soldiers.

⁶⁷ The *official* version had not yet been published by the beginning of December 2011.

Sweden

The most advanced state examined in entire process of reforms and armed forces transformation is Sweden. It abolished the general conscription system during peacetime. Sweden interprets the EU mutual aid clause of the Lisbon Treaty as a defense alliance in the case of a direct military threat. Based on this assessment, Sweden focuses its armed forces on peace-building operations. A comparable but less advanced trend toward international peace building can be observed in Austria and Finland.

Since 2009, Sweden has implemented a profound reform of its security strategy in general and its armed forces in particular. The main pillars of Sweden's transformation are strong development toward a 50,000-strong professional army, using a highly modular structure of the armed forces following the needs of interoperability, strategic mobility, and joint operations. NATO accession is not intended in the medium-term.

Switzerland

In the case of Switzerland, the trend shows a different pathway. The shift in the Swiss security policy focuses more on the support of domestic civil authorities. A change of emphasis toward international peace building is, in comparison to the other neutral states in Europe, still relatively weak, although national defense remains a strong component.

Switzerland reduced its armed forces by more than a third, like Sweden and Austria; to the military numbered about 55,000 in the beginning of 2011.

In 2010, Switzerland adopted *Report on the Armed Forces 2010*, a detailed analysis of the Swiss Armed Forces with proposals for improvement. Based on this report, the federal assembly is expected to call for reform in the field of the military law. These adaptations will mainly focus on a stronger international alignment—and surely will provoke another political debate about the pros and cons of Swiss military involvement in international missions. The introduction of the new military bill is planned for 2013 and will be implemented between 2015 and 2020.

Accession to NATO is not a topic at all; however a moderate rapprochement toward CSDP is part of the discussion. Upcoming procurements, for example the purchase of a new type of fighter aircraft, indicates that Switzerland will keep a strong defensive component as part of its permanent neutral armed national sovereignty.

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IV. SWITZERLAND'S RELATIONSHIP WITH THE EUROPEAN UNION

A. INTRODUCTION

This section provides a brief overview of Switzerland's international security structures as a means to understand the formulation of policy and its character in the midst of change in the present. The main part of the chapter investigates in detail the relationship between Switzerland and the EU. The broader context of Switzerland in the realm of the international organizations and institutions becomes clearer in the explication of its relationship to the United Nations, the Council of Europe, the Organization for Security and Co-operation in Europe, and the North Atlantic Treaty Organization.

1. United Nations

Switzerland joined the UN in 2002. It had, however, already participated in UN operations for a long time. Swiss Military Observers are currently deployed in a number of UN missions. In April 2007, the UN Department of Peacekeeping Operations (DPKO) officially recognized that the United Nations Military Observers Course delivered by the Swiss Armed Forces International Command Training Centre utilizes the United Nations Standardized Peacekeeping Training materials and thus meets the United Nations peacekeeping training standards. The DDPS "Spiez Laboratory" is a recognized UN facility, particularly for chemical analyses. Furthermore, mine action is one of the political priorities of Switzerland within the UN system, supporting the UN Mine Action Service through the Mine Action Support Group. The Geneva International Centre for Humanitarian Demining (GICHD) has extended its cooperation with the UN, international standards for mine action, studies and expert reports.

Switzerland is also acting on the diplomatic level. The Small-Five Initiative, the Geneva Declaration on Armed Violence and Development, the International Process on Global Counter-Terrorism Cooperation, and the Chairmanship of the Peace Building

Commission's Burundi Configuration, which took place from July 2009 to July 2010, all underscore Switzerland's determination to address current security issues.

2. Council of Europe

Switzerland became a member of the CE in May 1963 and to date has ratified 109 and signed but not ratified another 15 out of the total of over 200 of its conventions. The conventions, which are not ratified by Switzerland, are mainly in the realm of the conventions about nationality and defense policy, which would have a strong impact on the Swiss understanding of autonomy. It plays an active role in this international organization (e.g. Committee of Ministers, the Parliamentary Assembly and the Congress of Local and Regional Authorities of Europe) whose main objectives consist of defending human rights, upholding the rule of law and democracy, promoting common European cultural identity, and searching for solutions to major social problems. From November 2009 until May 2010, Switzerland held the chairmanship of the Committee of Ministers. One major concern while holding the chairmanship was the reform of the European Court of Human Rights, of which Switzerland is also a signatory state. The ratification of the Protocol No. 14, to the Convention for the Protection of Human Rights and Fundamental Freedoms by Russia and the Interlaken Declaration were the most significant outcomes of Swiss efforts.

3. Organization for Security and Cooperation in Europe

Switzerland has been participating in the CSCE/OSCE since the organization's inception in the pivotal events of détente in Europe in the year 1973. OSCE offered the country a platform to promote common values and principles and an equal footing on which to negotiate in a cooperative manner, an effort that bore results in the year 1989 and thereafter. *Inter alia*, Switzerland has organized many expert meetings, held the chairmanship in 1996, and provided the former Director of the Office for Democratic Institutions and Human Rights as well as supplying a logistical support unit to the OSCE Mission to Bosnia and Herzegovina from 1996 to 2000.

In the framework of the OSCE, Switzerland puts a major emphasis on

strengthening confidence- and security-building measures as well as fostering democratic control of armed forces and international humanitarian law. Compliance with the commitments along with full and correct implementation of the agreed measures are perceived as essential principles in order to strengthen confidence, security and stability in the OSCE area. Switzerland stands for a respectful and constructive debate on a new European security structure and attaches value to strengthening the OSCE.

4. North Atlantic Treaty Organization

The essential channels for consultation and cooperation between Switzerland and NATO are the PfP Program and the Euro-Atlantic Partnership Council (EAPC). Along with the other classical neutrals who have adjusted to the post 1989 European order, Switzerland also contributes to NATO-led peace-support operations, i.e. to KFOR. Switzerland views PfP as an important element of the Euro-Atlantic security architecture and shares its basic concept—stability and security in the Euro-Atlantic area through cooperation, transparency, and democratic control. It is also a useful instrument to support the development of the armed forces. The basic principles of PfP—voluntariness and self-differentiation—are consistent with Switzerland’s policy and obligations of neutrality. Enlargement of NATO in central and eastern Europe that took a major step forward in 1994 with PfP and the enlargement study of 1995 has contributed indirectly to the security of Switzerland, with the reduction of conflict in areas that had been prone to same in the past, the German-Polish relationship, or the German-Czech relationship.

Switzerland joined PfP in 1996. From the beginning, the main focus has been on enhancing the interoperability for Article-5 crisis-response operations. Since 1998, Switzerland has taken part in the PARP and in NATO/PfP multinational staff and field exercises as another instrument to enhance interoperability. In addition, Switzerland contributes to a number of other PfP activities, including the support of defense and security sector reform processes and disarmament projects. Education and training courses are also part of Swiss contribution of considerable qualitative value along with those of other classical neutrals considered here, i.e. the Austrians, Finns and Swedes in particular.

B. EUROPEAN UNION

1. Introduction

Switzerland is not a member of the EU, but it contributes on a case-by-case basis to EU-led military and civilian operations and collaborates closely with classical neutrals who have joined the EU, as in the case of Austria. Militarily, Switzerland currently contributes to the EU-led operation EUFOR Althea in Bosnia and Herzegovina. The Role of the EU as an international security actor is becoming more and more important. Therefore, the bilateral framework agreement regulating Swiss contribution to EU-led military and civil operations was adopted in 2004. This following section provide a detailed analysis of the relation between Switzerland and the EU and the impact of the Lisbon Treaty and the associated consequences for Switzerland's foreign, security and defense policy.

Switzerland is planning to conclude an administrative arrangement with the European Defense Agency (EDA)⁶⁸ in order to gain access to Europe's most important multilateral procurement cooperation network in the fields of research, development, procurement and maintenance of military systems. The Federal Council has approved the negotiating mandate and concrete negotiations are underway.

The overarching issue in the relationship between the EU and Switzerland is whether Switzerland has the political will and capabilities to adapt the existing bilateral structures that connect it to the EU to the new institutional and political factors in Brussels.

2. The Treaty Framework

This section outlines the EU's efforts to reform its treaty framework during the last ten years and explains the most important innovations of the Lisbon Treaty. In

⁶⁸ The European Defense Agency (EDA) is an agency of the European Union based in Brussels. It is a Common Foreign and Security Policy (CFSP) body set up on 12 July 2004, reporting to the Council of the European Union. All EU member states, except Denmark, which has an opt-out of the CFSP, take part in the agency. Norway, which is not a EU member, has been granted an opt-in to participate in the EDA programs without voting rights.

addition, it discusses the roots and particularities of the bilateralism between the EU and Switzerland and its potential future development.

a. The EU Reforms and the Development of the Treaty

In December 2001, EU decision-makers initiated an additional reform of existing EU treaties, triggered by unsuccessful negotiations in Nice. Because of the upcoming enlargement toward the east, the EU had to adapt the voting rights in the Council of Ministers, and it was necessary to bring into line the number of members of the European Parliament. Along with these optimizations came the improvement of the democratic process within the Union, as well as the enhancement of organizational and institutional efficiency. This reform process resulted in the 2004 European Constitutional Treaty. But the ratification of this treaty failed in 2005 after France and the Netherlands voted against it. In 2007, the EU's policy-makers agreed on a framework for a reform treaty. The new treaty kept the main substance of the Constitutional Treaty but lost the explicitly constitutional character of its forerunner. (The EU does not count as a real federal government because it remains a union of more or less sovereign states, rather than a single, unified state.) Two years later, in December 2009, the accord known today as the Lisbon Treaty entered into force.⁶⁹

The 2009 treaty consolidated the basic concept of the European Political Union, founded in 1992 at Maastricht. The legal form of the Union is based on multilateral cooperation and ruled by legislative procedure between the member states. The Council of the EU, also known as the Council of Ministers, and the European Parliament have equal rights concerning the law-making process, except for certain fields

⁶⁹ EU, "The Lisbon Treaty," <http://www.consilium.europa.eu/treaty-of-lisbon?lang=en>, accessed December 8, 2011.

of policy, notably foreign affairs. The European Council became the formal institution defining the EU's general political direction, led by an elected president who served for two and a half years.⁷⁰

The Union's Council for Foreign Affairs and Security Policy has a permanent president who serves as the EU's High Representative for Foreign Affairs and Security Policy and as Vice President of the European Commission. The Lisbon Treaty enhances the CSDP as part of the CFSP and assigns also duties to the national parliaments. The European citizens' initiative and the option of a withdrawal clause are two additional innovations of the latest European Union Treaty.⁷¹ This fact is significant to the Swiss-EU relationship because it shows a stronger involvement of the citizens and hence a higher development of the democratic principals within the EU, which leads to a higher level of integration of the EU member states with only minimum loss of national autonomy.

The relationship between Switzerland and the EU is characterized by bilateralism. The bilateral approach historically emerged from the Swiss understanding of autonomy, self-determination, and neutrality based on its historical role in the European system in modern history. Bilateralism can be seen as a contractual relationship between the two entities and is dominated by the Swiss national interest of sovereignty. The whole bilateral approach is mainly driven by economic factors. Switzerland approaches the EU on a volunteer basis, mostly to gain some economic advantage by adapting parts of European law and regulations to meet the requirements of multilateral interoperability.

The Switzerland-European Community Free Trade Agreement of 1972 was a first step in the bilateral agreements. It dismantled such trade barriers as customs and quotas for industrial products between the contracting parties, thereby creating a free-

⁷⁰ Amtsblatt der Europäischen Union 9, 17: "Vertrag von Lissabon zur Änderung des Vertrags über die Europäische Union und des Vertrags zur Gründung der Europäischen Gemeinschaft," December 2007. "Konsolidierte Fassungen des Vertrags über die Europäische Union und des Vertrags über die Arbeitsweise der Europäischen Union," December 2007, <http://eur-lex.europa.eu/JOHtml.do?uri=OJ:C:2007:306:SOM:DE:HTML.C.115/01-388>. <http://eurlex.europa.eu/JOHtml.do?uri=OJ:C:2008:115:SOM:DE:HTML>, accessed December 8, 2011.

⁷¹ Ibid.

trade zone.⁷² A similar flirtation with greater harmonization came in the form of the Insurance Agreement of 1989, which guaranteed insurance companies of both Switzerland and European Community members the freedom to establish operations in each other's territory.⁷³ The agreement covered—and covers—a discrete economic subsector on a strictly bilateral basis. From the Swiss perspective, the agreement makes sense, as this increased interoperability of the insurance system provides a practical and limited synchronization for economic reasons; because it is based on a bilateral approach, the preservation and development of the sovereignty of the Swiss law is granted. In many ways, this agreement forms the preferred model by which the Swiss wish to interact with Europe.

Indeed, while the other European Free Trade Association (EFTA)⁷⁴ states clamored for the European Economic Area (EEA) in 1992, the Swiss electorate rejected full multilateral integration in the inner-European market. In other words, the constitutionally mandated plebiscite committed Swiss policymakers *not* to adopt EU law in the comprehensive package of the EEA but rather to continue negotiating with Europe on a piece-by-piece basis in order to keep some freedom of action—and national sovereignty.

Thus, after the 1992 vote, the bilateral approach emerged as an alternative to more problematic engagement with the whole EU as a system. The main legal framework was written down in the 1999 and 2004 treaties, the so-called Bilateral Agreements I and II.⁷⁵ These agreements provide the legal regulations for a sectoral

⁷² Federal Departments of Foreign Affairs, “Bilateral Agreements Switzerland–EU.” Bern, August 2009.

⁷³ Federal Departments of Foreign Affairs, “Bilateral Agreements Switzerland–EU.”

⁷⁴ The European Free Trade Association or EFTA is a free trade organization between four European countries that operates parallel to, and is linked to, the EU. EFTA was established on 3 May 1960 as a trade bloc-alternative for European states who were either unable to, or chose not to, join the then-European Economic Community (EEC) which has now become the EU. The Stockholm Convention, establishing EFTA, was signed on 4 January 1960 in Stockholm by seven countries. Today's EFTA members are Liechtenstein, Iceland, Norway, and Switzerland—the latter two being founding members. The initial Stockholm Convention was superseded by the Vaduz Convention, which provides for the liberalization of trade among the member states.

⁷⁵ EDA/EVD, “Die Europapolitik der Schweiz.”

political and economic integration without obligations to adopt EU law.⁷⁶ As with the earlier insurance treaty, the Bilateral Agreements allow Swiss–EU cooperation where practical considerations prevail—and where Switzerland does not feel its sovereignty to be imperiled. As a complement to the 1972 Free Trade Agreement, the Bilateral Agreement I involves a further reciprocal opening of markets in six specific areas: free movement of persons; lower technical trade barriers; public procurement; agriculture; and air and land transport. In addition, the research agreement enables Switzerland to participate in EU research programs.⁷⁷ Bilateral Agreement II covers additional economic interests and extends cooperation to internal security, asylum, the environment, and culture. They concern Swiss participation in the Schengen/Dublin Agreement and agreements on taxation of savings, processed agricultural products, cooperation in statistics, fighting fraud, retirement pensions of EU officials, and Swiss participation in the EU media programs, the environmental agency and EU education, professional training, and youth programs.⁷⁸

In contrast to Bilateral Agreement I, Agreement II entails much stronger obligations to the EU and implies a much greater degree of policy harmonization. Both agreements effected more coordination between Switzerland and the EU, but each point was negotiated separately and, as a series of bilateral understandings, underscored Switzerland's unique status vis-à-vis the Union. Further, the ecologically oriented parts of the bilateral accords are, with the exceptions of the tariff and civil air transport agreements, based on international law. Of course, international law takes the sovereign state as its basic unit, for the most part. As such, equality of rights is the core principle of the Bilateral Agreements; indeed, all the treaties between Switzerland and the EU follow the principle that both parties have to adapt their laws, following the ongoing development of the relationship.⁷⁹

⁷⁶ Federal Departments of Foreign Affairs, "Bilateral Agreements Switzerland–EU."

⁷⁷ Federal Departments of Foreign Affairs, "Bilateral Agreements Switzerland–EU."

⁷⁸ Ibid.

⁷⁹ Sandra Lavenex, "Switzerland's Flexible Integration in the EU: A Conceptual Framework," *Swiss Political Science Review* 15 (2009): 551.

In certain fields of security, like the international fight against crime and terrorism, Switzerland binds itself by the Schengen and Dublin agreements of association to accept the EU law. The Schengen/Dublin Agreement affects Swiss security and shows that cooperation is, to a certain extent, inevitable because the issues and threats do not stop at the EU–Swiss border any more than internal borders within the EU seriously impede security concerns. From the Swiss perspective, Switzerland has changed its domestic law to harmonize it with discrete and delimited aspects of EU law to the extent that national sovereignty can bear such changes. But from the EU’s viewpoint, Switzerland seems sometimes to acknowledge EU law as binding, while rejecting it at other times, which leads to a certain inconsistency, with ramifications for policy, planning, and practice.

To establish an overarching framework for the several bilateral agreements and to improve the coordination of the different working groups, Switzerland undertook to establish a skeleton agreement with the EU. In December 2008, EU member states agreed to such a project but linked it to a demand that Switzerland take on the agreements of association for all bilateral agreements. Such a step would be tantamount to a complete adoption of EU law by Switzerland and would lead to the abandonment of the bilateral approach, based on international law and Switzerland’s distinct national sovereignty.⁸⁰

The advantage of a skeleton agreement, based on EU law, would be the opportunity to define explicitly in which political fields Switzerland wants or does not want to participate. But the negotiations are overshadowed by the EU’s additional demand that Switzerland cooperate in all political fields. Hence, the political ideas of the EU do not match the bilateral approach preferred by Switzerland. The future development and feasibility of the bilateralism must be discussed in the context of these facts and circumstances. This context raises essential questions about the potential for a

⁸⁰ Council of the European Union, “Draft Agreement between the European Union and the Swiss Confederation Establishing a Framework for the Participation of the Swiss Confederation in the EU Crisis Management Operations,” 2004, <http://register.consilium.europa.eu/pdf/en/04/st12/st12426.en04pdf>, accessed December 8, 2011.

future development of the bilateral approach without a skeleton agreement and about the meaning of a partial integration if Switzerland would be obliged to adopt the EU law.⁸¹

The impact of the Lisbon Treaty on the future development of Swiss–EU bilateralism is indirect but decisive. Because of the institutional changes in the EU, Switzerland now finds it much more challenging to cultivate the appropriate direct contacts with Brussels decision makers in order to influence the EU’s policy and law making. Furthermore, the EU’s strengthened self-perception, based on the Lisbon Treaty, as an important global player, and the nonparticipation of Switzerland in the Treaty categorizes Switzerland as a “free rider,” not willing to share the burden of Europe as a whole. This implication casts a poor light on Switzerland.⁸²

The institutional development in the field of EU foreign and security policy and the modified legal procedures based on the Lisbon Treaty with a special focus on the ratification process is an additional aspect which must be explained to clarify the importance of this thesis. The double office of the European Union’s High Representative for Foreign and Security Policy and the Vice President of the European Commission is one of the major innovations of the Lisbon Treaty. It unifies the responsibility for foreign affairs and the oversight of the CFSP. Indeed, the new High Representative, Catherine Ashton, is in charge of all aspects of the EU’s foreign policy. In addition, she is the head of the Council for Foreign Affairs, which is the board for the twenty-seven foreign and defense ministers of the member states. The CFSP, including the CSDP, is the main institution through which EU member states coordinate actions in such fields as human rights, disarmament, and conflict prevention. Different instruments to support economical and social transformation processes mainly characterize the common foreign policy. The main task of the High Representative is to coordinate the different tools.⁸³

How Ashton will interpret her function is not conclusive yet. She is confronted with a broad spectrum of responsibilities. After one year in charge, she seems

⁸¹ Council of the European Union, “Draft Agreement.”

⁸² Micheline Calmy-Rey, “Ansprache anlässlich des Europatages 2010.” Bern, May 2010.

⁸³ Amtsblatt der Europäischen Union, “Vertrag von Lissabon zur Änderung.”

mainly absorbed with international security affairs issues and the EU's relationship to the global players. Maintaining the contractual foreign affairs agreements on a supranational level is not her priority, although it would be desirable from the Swiss point of view if she would improve her efforts in this area, in her function as Vice President of the European Commission. The important aspect is that she has to be the dominating voice of European Union's policy, ensuring a coherent EU foreign policy.

The newly established European External Action Service (EEAS)⁸⁴ is the main support instrument for Ashton's office.⁸⁵ This organization is responsible for the general secretariat of the EU Council and is staffed with diplomats from the member states. The contributors to the EEAS coordinate and lead the working groups of the Council and represent the EU in various international organizations and for foreign affairs. Hence, the EEAS is an important interface to non-European Union countries.

The European Council, composed of the Heads of State or Government of the EU member states, is another important institution. Like the Foreign Affairs Council, there is a permanent chairmanship, the President of the European Council. Its function is to represent the EU vis-à-vis the ministers of third states; the Council President, together with the European Commission President, also represents the EU in the field of the foreign economic affairs.⁸⁶ With the enlargement of the legislative procedure, the European Parliament gained the decisive ability to shape international agreements in a broad political field. In the area of trade policy, the Parliament is equal to the Council.⁸⁷

⁸⁴ The European External Action Service (EEAS) is the EU department that was established following the entry into force of the Treaty of Lisbon on 1 December 2009. It was formally launched on 1 December 2010 and serves as a foreign ministry and diplomatic corps for the EU, implementing the EU's Common Foreign and Security Policy and other areas of the EU's external representation. The EEAS is under the authority of the High Representative for Foreign Affairs and Security Policy (HR), a post also created by the Treaty of Lisbon, whom it assists.

⁸⁵ Council of the European Union, "Draft Council Decision of 25 March 2010 Establishing the Organization and Functioning of the European External Action Service," 2010.

⁸⁶ Amtsblatt der Europäischen Union, "Vertrag von Lissabon zur Änderung."

⁸⁷ Stephen Woolcock, "The Potential Impact of the Lisbon Treaty on European Union External Trade Policy," SIEPS European Policy Analysis 2008, no. 8, <http://www.sieps.se/en/publications/european-policy-analysis/the-potential-impact-of-the-lisbon-treaty-on-european-union-external-trade-policy.html>, accessed December 8, 2011.

The upshot of these organizational changes is a concentration of power in Brussels, which has some major consequences for Switzerland. The overarching issue in the relationship between the EU and Switzerland is whether Switzerland has the political will and capabilities to adapt the existing bilateral structures that connect it to the EU to the new institutional and political factors in Brussels. Hence, a special focus of this study is the institutional reforms and the new common platforms for political exchange. Moreover, the study critically scrutinizes Switzerland's almost exclusively economic motivations for cooperation with the EU. A closer analysis of the Lisbon Treaty indicates that there may be new opportunities for Switzerland to reconsider cooperation in security and defense policy with the EU. The enlarged field of the EU's CSDP and the strong commitment of the Union to improve its efforts in peace building and crisis management provide prospects for Switzerland.

In December 2001, EU decision-makers initiated an additional reform of the existing EU treaties, triggered by unsuccessful negotiations in Nice. Because of the upcoming enlargement to the east, the EU had to adapt the voting rights in the Council of Ministers, and it was necessary to bring into line the number of members of the European Parliament. Along with these optimizations came the improvement of democracy and the Union's efficiency. This reform process resulted in the 2004 European Constitutional Treaty. But the ratification of this treaty failed in 2005 after France and the Netherlands voted against it. In 2007, the EU's policy-makers agreed on a framework for a reform treaty. The new treaty kept the main content but in a less constitutional character. The EU does not have a real federal government because it is still a union and not a united state. Two years later, in December 2009, the accord today known as Lisbon Treaty entered into force.⁸⁸

The 2009 treaty consolidated the basic concept of the European Political Union, founded in 1992 in Maastricht. The legal form of the Union is based on multilateral cooperation and ruled by legislative procedure between the member states. The Council of the EU, also known as the Council of Ministers and the European

⁸⁸ EU, "The Lisbon Treaty."

Parliament have equal rights concerning the law-making process, except for certain fields of policy, such as foreign affairs. The European Council became the formal institution defining the EU's general political direction, led by a president, elected for two and a half years.⁸⁹

The Union's Council for Foreign Affairs and Security Policy has also a permanent President who serves as the EU's High Representative for Foreign Affairs and Security Policy and as Vice President of the European commission. The Lisbon Treaty enhances the CSDP as part of the CFSP and assigns also duties to the national parliaments. The European citizens' initiative and the option of a withdrawal clause are two additional innovations of the latest EU Treaty.⁹⁰

b. Bilateralism

The relationship between Switzerland and the EU is characterized by "bilateralism." The bilateral approach historically emerged from the Swiss understanding of autonomy, self-determination and neutrality. Bilateralism can be seen as a contractual or treaty relationship between the two entities.

The Switzerland-EC Free Trade Agreement of 1972 was a first step in the bilateral agreements. It dismantled trade barriers such as customs and quotas for industrial products between the contracting parties, thereby creating a free trade zone.⁹¹

The Insurance Agreement of 1989 between Switzerland and the European Community guarantees insurance companies of both parties the freedom to establish operations in the territory of the other contracting party.⁹²

⁸⁹ Amtsblatt der Europäischen Union 9, 17: *Vertrag von Lissabon zur Änderung des Vertrags über die Europäische Union und des Vertrags zur Gründung der Europäischen Gemeinschaft, Dezember 2007. Konsolidierte Fassungen des Vertrags über die Europäische Union und des Vertrags über die Arbeitsweise der Europäischen Union.* Dezember 2007.

⁹⁰ Amtsblatt der Europäischen Union 9, 17: *Vertrag von Lissabon zur Änderung des Vertrags über die Europäische Union und des Vertrags zur Gründung der Europäischen Gemeinschaft, Dezember 2007.*

⁹¹ Federal Departments of Foreign Affairs FDFA, *Bilateral Agreements Switzerland- EU.* Bern. August 2009.

⁹² Ibid.

Amid acclamation about the European Economic Area in 1992, Swiss voters rejected the multilateral integration in the inner-European market and voted against an adoption of the EU law. In the aftermath of this plebiscite, the bilateral approach emerged. The main legal framework was written down in the 1999 and 2004 treaties, the so-called Bilateral I and II.⁹³ They provide the legal regulations for a sectoral political and economic integration without obligations to adopt EU law.⁹⁴

As a complement to the Free Trade Agreement, the Bilateral Agreements I with the EU involve a further reciprocal opening of markets in six specific areas: free movement of persons, technical trade barrier, public procurement, agriculture and air and land transport. In addition, the research agreement enables Switzerland to participate in EU research programs.⁹⁵

The Bilateral Agreements II covers additional economic interests and extend cooperation to internal security, asylum, the environment and culture. They concern Swiss participation in the Schengen/Dublin Agreement and agreements on taxation of savings, processed agricultural products, cooperation in statistics, fighting fraud, retirement pensions of EU officials, and Swiss participation in the EU Media programs, the Environment Agency and EU education, professional training and youth programs.⁹⁶

The ecologically motivated parts of the bilateral accord are, with the exceptions of the tariff and civil air transport agreements, based on international law. The equality of rights is the core principle of the bilateral contracts and follows the consensual principle that both parties have to adapt their laws, following the ongoing development of the relationship.⁹⁷

⁹³ EDA/EVD, *Die Europapolitik der Schweiz: Der bilaterale Weg*, Oktober 2009.

⁹⁴ Federal Departments of Foreign Affairs FDFA. *Bilateral Agreements Switzerland - EU*. Bern. August 2009.

⁹⁵ Federal Departments of Foreign Affairs FDFA. *Bilateral Agreements Switzerland - EU*. Bern. August 2009.

⁹⁶ Ibid.

⁹⁷ Sandra Lavenex, *Switzerland's Flexible Integration in the EU: A Conceptual Framework*. p. 551.

In certain fields of security, like the international fight against crime and terrorism, Switzerland binds itself with the Schengen and Dublin agreements of association to accept the EU law. From the Swiss perspective that means that Switzerland has changed its domestic law to harmonize it with certain aspects of EU law. But from the EU's view point it appears that sometimes Switzerland acknowledges EU law as binding and sometimes it does not, which leads to a certain inconsistency, depending on the point of view.

To establish an overarching frame for the several bilateral agreements and to improve the coordination of the different working groups, Switzerland undertook to establish a skeleton agreement with the EU. In December 2008, EU member states agreed to such a project, but linked it to a demand that Switzerland take on the agreements of association for all bilateral agreements. Such a step would be tantamount to a complete adoption of EU law by Switzerland and would lead to the abandonment of the bilateral approach, which is an agreement based on international law.⁹⁸

The advantage of a skeleton agreement, based on EU law, would be the opportunity to define explicitly in which political fields Switzerland wants or does not want to participate. But the negotiations are overshadowed by the additional demand of the EU that Switzerland cooperate in all political fields. Hence, the political ideas of the EU do not match the bilateral approach preferred by Switzerland. The future development and feasibility of the bilateralism has to be discussed in the context of these facts and circumstances. This context raises essential questions about the potential for a future development of the bilateral approach without a skeleton agreement and about the meaning of a partial integration if Switzerland would be obliged to adopt the EU law.⁹⁹

The impact of the Lisbon Treaty on the future development of Swiss-EU bilateralism is indirect but decisive. Because of the institutional changes in the EU,

⁹⁸ Council of the European Union, *Draft Agreement between the European Union and the Swiss Confederation establish-ing a framework for the participation of the Swiss Confederation in the EU crisis management Operations.* 2004.

⁹⁹ Council of the European Union, *Draft Agreement between the European Union and the Swiss Confederation establish-ing a framework for the participation of the Swiss Confederation in the EU crisis management Operations.* 2004.

Switzerland now finds it much more challenging to cultivate the appropriate direct contacts with Brussels decision makers in order to influence the EU's policy and law making. Furthermore the EU's strengthened self-perception, based on the Lisbon Treaty, as an important global player and the nonparticipation of Switzerland in the Treaty categorize Switzerland as a "free rider" not willing to share the burden of Europe as a whole. That casts a poor light on Switzerland.¹⁰⁰

Whether Switzerland is capable of adapting its established policies to the EU's changed political conditions will be seen in the future debate about bilateralism.

3. The EU's Foreign and Security Policy

The first part of this section concentrates on the institutional development in the field of EU foreign and security policy and the modified legal procedures based on the Lisbon Treaty. A special aspect is the ratification process.

a. Institutional Development and Ratification Processes

The double office of the European Union's High Representative for Foreign and Security Policy and the Vice President of the European Commission is one of the major innovations of the Lisbon Treaty. It unifies the responsibility for foreign affairs and the oversight of the CFSP. Indeed, the new High Representative is in charge of all aspects of the EU's foreign policy. In addition, she is the head of the council for foreign affairs, which is the board for the twenty-seven foreign and defense ministers of the member states. As part of the European Council, the CFSP including the CSDP is the main institution through which EU member states coordinate actions in such fields as human rights, disarmament, and conflict prevention. Different instruments to support economical and social transformation processes mainly characterize the common foreign policy. The main task of the High Representative is to coordinate the different tools.¹⁰¹

¹⁰⁰ Calmy-Rey, Micheline, *Ansprache anlässlich des Europatages 2010.* Bern, 10. Mai 2010.

¹⁰¹ Amtsblatt der Europäischen Union 9, 17: *Vertrag von Lissabon zur Änderung des Vertrags über die Europäische Union und des Vertrags zur Gründung der Europäischen Gemeinschaft, Dezember 2007. Konsolidierte Fassungen des Vertrags über die Europäische Union und des Vertrags über die Arbeitsweise der Europäischen Union. Dezember 2007.*

The first High Representative is the British politician Catherine Ashton. How she will interpret her function is not conclusive yet. She is confronted with a broad spectrum of responsibilities. After one year in charge, she seems mainly absorbed with international security affairs issues and the EU's relationship to the global players. Maintaining the contractual foreign affairs agreements on a supranational level is not her priority, although it would be desirable from the Swiss point of view if she would improve her efforts in this area, in her function as Vice President of the European Commission. The important aspect is that she has to be the dominating voice of European Union's policy, ensuring a coherent EU foreign policy.

The newly established European External Action Service (EEAS) is the main support instrument for Ashton's office.¹⁰² This organization is responsible for the general secretariat of the EU Council and is staffed with diplomats from the member states. The contributors to the EEAS coordinate and lead the working groups of the Council and represent the EU in various international organizations and for foreign affairs. Hence, the EEAS is an important interface to non-European Union countries.

The European Council, composed of the Heads of State or Government of the EU member states, is another important institution. Like the Foreign Affairs Council, there is a permanent chairmanship, the President of the European Council. Its function is to represent the EU vis-à-vis the ministers of third states; the Council President, together with the European Commission President, also represents the EU in the field of the foreign economic affairs.¹⁰³ With the enlargement of the legislative procedure, the European Parliament gained the decisive ability to shape international agreements in a broad political field. In the area of trade policy, the Parliament is equal to the Council.¹⁰⁴

¹⁰² Council of the European Union, *Draft Council Decision of 25 March 2010 establishing the organization and functioning of the European External Action Service.*"

¹⁰³ Amtsblatt der Europäischen Union 9, 17: *Vertrag von Lissabon zur Änderung des Vertrags über die Europäische Union und des Vertrags zur Gründung der Europäischen Gemeinschaft, Dezember 2007. Konsolidierte Fassungen des Vertrags über die Europäische Union und des Vertrags über die Arbeitsweise der Europäischen Union. Dezember 2007.*

¹⁰⁴ Woolcock, Stephen, *The Potential Impact Of The Lisbon Treaty On European Union External Trade Policy.*" SIEPS European Policy Analysis 2008, Nr. 8.

The upshot of these organizational changes is a concentration of power in Brussels, which has some major consequences for Switzerland. The next section summarizes the major consequences for Switzerland and other comparable states and outlines some future approaches and concepts.

V. CONCLUSION—FUTURE APPROACHES AND CONCEPTS

A. AUTONOMY AND SOVEREIGNTY—THE ACE FOR THE FUTURE?

This conclusion provides conceptual answers to the six sub-questions asked at the outset of this thesis. a.) What are the future challenges of the Swiss foreign and security policy? b.) Which strategic factors are decisive in the face of these challenges? c.) What is the development potential of cooperation with the EU in the field of foreign and security policy? d.) What is the strategic approach of nation-states comparable to Switzerland? e.) What are the costs and benefits of autonomy and sovereignty in the system of states and a more closely linked global structure? f.) How might a stronger commitment by Switzerland in the formulation and implementation of the EU's Common Security and Defense Policy (CSDP) enhance political access for the bilateral approach in the present security environment?

The answers to these questions are integrated in the following different ideas presented and proposed by this author.

National autonomy and sovereignty—the ace for the future? This question, based on the study at hand can be answered with a resounding “yes,” as long as international cooperation dominates and encapsulation can be avoided. Four decisive parameters underline the absolute need for an increase in international cooperation and confirm the main statement of this thesis namely, that increasing international cooperation is the key to national autonomy:

- Contemporary threats and risk are not linked to national borders or geography; hence they cannot be resolved on the basis of national territories or politics
- Sociological and technological developments in the modern western society allow for a very flexible exchange of goods, distribution of information, and freedom of movement for people

- Sustainable crisis management must happen at the root of the cause and at the symptomatic level of regional or national territory or society. Modern European values are linked to values and norms, which must be protected and perfected through cooperation
- In an institutionally unified but economically and culturally increasingly unstable EU, strong neutral security partners bring real value to the European security environment and guarantee stability and security. By analyzing Europe's neutrals the majority are over-average prospering states.

The core of the debate about international cooperation as the solution to maintain national autonomy is hence not about the pros and cons of cooperation. The issue is only about which form of cooperation and how much.

B. CONSEQUENCES FOR SWITZERLAND

The direct links to the High Representative, to the EEAS, and to the President of the European Council are part of a network that is essential to the future Swiss-EU relationship. Meanwhile, the changed self-perception of the EU, embracing the role of a global player, may dramatically diminish the EU's willingness to negotiate with small, nonaligned Switzerland on a bilateral basis.

The fact that in Switzerland defense policy and foreign affairs are separated in two federal ministries further complicates the relationship. However, Ashton's agenda does not foresee a periodic meeting with the Swiss representatives, the real showstopper at this point. As an alternative, Switzerland should perhaps focus more on cultivating contacts with the deputies of the High Representative and establishing an institutional political dialogue with the diplomats of the EEAS. These measures would provide the opportunity to set up a consistent link to the second-level decision-makers, which may compensate for suboptimal influence with the High Representative.

In the old system, international and security issues could have been discussed separately from bilateral affairs. This situation corresponded to Switzerland's sectoral approach and unburdened the setting of the Swiss priorities. Whether the EU will show

some good will for the Swiss bilateral strategy as a *quid pro quo* for Switzerland's stronger involvement in international affairs and security issues in the field of CSDP will become evident in the near future.¹⁰⁵ The EU's view of Switzerland would be more favorable if the Swiss were to intensify their substantial contributions in peace operations, measured by boots on the ground and not by words and economically motivated bilateralism.

What matters is that Switzerland acts coherently and as a reliable ally. Withdrawing from Afghanistan¹⁰⁶ and the nonparticipation in the counter-piracy operations¹⁰⁷ cast a poor light on Switzerland; these steps are not conducive to an enhanced EU-Swiss relationship.¹⁰⁸

Generally there are two tendencies that influence the future bilateral development: first, the continuously rising pressure on Switzerland to apply EU law; and second, the intention of the EU to establish a standardized legal framework for cooperating with non-European Union neighbors.¹⁰⁹ The last aspect is because the very different political and economic characteristics are limited to a certain point. State-specific facts, self-chosen and imposed opt-outs must be taken into consideration.

¹⁰⁵ Economie Suisse, *Schweiz-EU: Bilateralismus im gegenseitigen Interesse*. 18 May 2010.

¹⁰⁶ See page 17.

¹⁰⁷ Operation Atalanta (formally European Union Naval Force Somalia) is a current military operation undertaken by the EU and the EU Naval Force. It is part of a larger global action by the EU in the Horn of Africa to deal with the Somali crisis; for example World Food Program ships food aid to ports in Somalia and Operation Atalanta provides escorts. This part of the effort has been successful because since the start of operation, none of the WFP food ships have been attacked. Operation Atalanta is the European Union's first naval operation. This military operation was launched, in accordance with the EU Council Joint Action 2008/851 and EU Council Decision 2008/918, on 8 December 2008. The operation was in support of Resolutions 1814, 1816 and 1838 which were adopted in 2008 by the United Nations Security Council (UNSC). To follow were a number of other Resolutions with the most recent being Resolution 1976, adopted by the UNSC on 11 April 2011.

¹⁰⁸ Sven Biscop, "Key partners and shared interests. The European convoy needs strategic guidance for fleet action." Global Europe Standpoint, 2010.

¹⁰⁹ Economie Suisse, *Schweiz-EU: Bilateralismus im gegenseitigen Interesse*. 18 May 2010.

C. SWISS OPTIONS AND MODELS

The Lisbon Treaty leaves the intergovernmental decision-making process in the field of CFSP substantially unchanged. In the area of CSDP, specifications have been added to the Treaty that improve the EU's position in security and defense policy.¹¹⁰ As this section shows, the new possibilities and instruments validate the existing concepts for conflict prevention and peace-building. This assessment assumes a new dynamic for cooperation options.¹¹¹ Switzerland must decide if it is willing and able to back EU doctrine and goals in the CFSP and in particular in the CSDP.

1. Security and Defense Policy

Even for the EU member states, the CSDP represents a politically sensitive domain, so decisions must follow the principle of unanimity within the EU, and therefore fast decisions in the case of international crisis management are to achieve.¹¹² This point makes the involvement of EU non-member states even more complicated.

The 2004 draft of the skeleton agreement, the so-called CSDF framework convention for the participation of Switzerland in EU-led peace-building and crisis-prevention operations, is based on a voluntary approach. The convention would help to plan and implement the Swiss contributions.

The EU's Security and Defense Policy, based on the Lisbon Treaty, contains mainly the new common disarmament efforts as well as the tasks for conflict prevention and stabilization operations, the Petersberg Plus Tasks.¹¹³ In addition, the Lisbon Treaty obliges EU member states to improve their national and collective military capabilities,

¹¹⁰ Western European Union, *Statement of the Presidency of the Permanent Council of the WEU on behalf of the High Contracting Parties to the Modified Brussels Treaty*, 2010.

¹¹¹ Calmy-Rey, Micheline, "Visionen für Europa – Neue Formen der Zusammenarbeit. Referat. Rheinfelden (D), 6. Juni 2008."

¹¹² Daniel Korski, "In Defence of Europe."

¹¹³ Amtsblatt der Europäischen Union 9, 17: *Vertrag von Lissabon zur Änderung des Vertrags über die Europäische Union und des Vertrags zur Gründung der Europäischen Gemeinschaft, Dezember 2007. Konsolidierte Fassungen des Vertrags über die Europäische Union und des Vertrags über die Arbeitsweise der Europäischen Union. Dezember 2007.*

supported by the EDA, founded in 2004. The Lisbon Treaty provides the legal framework for a permanent EU military structure and advanced military cooperation.¹¹⁴

From the aspect of defense policy, the newly established mutual aid clause, in accordance with Article 51 of the UN Charter,¹¹⁵ strengthens the EU's cooperation in the case of an attack on a member state. The "Irish Clause" qualifies mutual aid for neutral states. Based on the "Irish Clause," it would be possible for Switzerland, like other neutral states, to accept the constitutional treaty in this particular field without compromising their neutrality.¹¹⁶

2. Conflict Prevention and Crisis Management

More significant than the EU's defense policy for Switzerland is cooperation in the field of conflict prevention, peace building and crisis management.¹¹⁷ The precise definition and the real ambitions of the EU in those tasks remain unclear. The ongoing discussion based on the ESS demands additional doctrinal strategies, especially in civil-military cooperation¹¹⁸ and envisages a EU grand strategy.¹¹⁹ This overarching plan is supposed to define the goals and the criteria for the deployment of the different CSDP instruments and should act as a planning tool for all resources and assets. A more transparent and generic decision-making process and criteria catalogue would support the commitment of third states and nongovernmental organizations to participate in EU-led-missions and operations. Based on such a detailed strategic layout, Switzerland would be able to decide in which areas the EU's policy conforms to Swiss national interests. Such a measure would help to provide a clear statement of how Switzerland intends to support

¹¹⁴ Christian Möllig, *Ständige Strukturierte Zusammenarbeit in der Eu-Sicherheitspolitik. Auswirkungen des LissabonVertrags auf die Entwicklung von Fähigkeiten und die Rüstungskoooperation in der Europäischen Union*, 2010.

¹¹⁵ Western European Union, *Statement of the Presidency of the Permanent Council of the WEU on behalf of the High Contracting Parties to the Modified Brussels Treaty*, 2010.

¹¹⁶ Tiilikainen, Teija, *The Mutual Assistance Obligation in the European Union's Treaty of Lisbon*. Publication of the Ministry of Foreign Affairs of Finland. April 2008, p. 10–12.

¹¹⁷ EDA/EVD, *Informationsblatt Friedensförderung*. 17 February 2010.

¹¹⁸ Borja/Pohlmann Lasheras, Christoph/Katsioulis, Christos/Liberti, Fabio. "European Union Security and Defence White Paper. A Proposal."

¹¹⁹ Jolyon Howorth, *What Europe badly needs is a Grand Strategy in Europe's World*, 2009.

the EU's efforts. A stronger consultation and information exchange between the EU and Switzerland would be a basic requirement for such a course of action.

3. Concepts and Instruments

The whole structure of the EU itself as well as the treaty relationship between Switzerland and the EU are very complex and shaped by the huge bureaucracy of the administration and lawmakers in Brussels and by the Swiss bilateral approach. The new concept and instruments for closer cooperation in security and defense policy must follow simple principles and fulfill a high practical relevance to facilitate the Swiss internal political agreement process.

Switzerland would do well to develop policies comparable to those articulated in the EU's strategy papers. Clear definitions of the national interests in peace building and crisis management, including a geopolitical dimension, should be part of such a strategy.¹²⁰ A detailed list of the military and civil capabilities and a criteria catalogue analogous to a checklist would help to assess the potential for Swiss participation in EU-led-missions. Such an instrument would help to improve Swiss reliability and would simplify the coordination of cooperation with the EU. But Switzerland has mainly resisted doing so because of uncertainty as to whether such steps would be compatible with the Swiss definition of neutrality.

4. An Idea: European Neutrals Partnership for Security

NATO's PfP must be seen as a phase-out model because most of the leading central and eastern European states for which PfP was created will become NATO members in the near future, stay neutral or develop other needs for security and defense cooperation. Hence the intention of PfP as a stabilizing, integrating and training organization in the aftermath of the Cold War has accomplished its purpose. By analyzing the European security environment one can argue that the time has come for a

¹²⁰ Council of the European Union, *Draft Agreement between the European Union and the Swiss Confederation establishing a framework for the participation of the Swiss Confederation in the European Union crisis management operations*, 2004.

new organization, which provides new options for international cooperation in the field of security and defense policy should be established. The author proposes the idea of a European Neutrals Partnership for Security (ENPS) in close cooperation with CSDP and NATO but organizationally detached, alliance free and committed to the policy and law of neutrality with the main goal to provide substantial contributions to the European security. This organization must not be seen as just another additional player or yet another parallel organization to existing cooperation arrangements. The ENPS would be capable to bring together and coordinate the contribution of Europe's neutral states vis-à-vis the non-neutrals and alliance members. The ENPS would provide a new strategic platform and tool not only for its neutral member states but also for CSDP as well as for NATO to play with the whole spectrum between hard and soft power. With the positive side effect to strengthen the influence of Europe's neutrals on one hand and to make them discharge to their duties, mutual responsibility and burden sharing at the other hand.

The potential creation of the ENPS should go beyond the existing structures of the PfP and provide a consistent new approach by adapting parts of the PfP concept but completely detached from NATO as complementary organization to NATO and CSDP. This approach offers the chances to solve crisis management challenges in a new way Europe's neutrals could bundle their forces and provide their help in a more efficient and in the end, more effective way. Because resources in the field of security and defense policy are very overstretched in most neutral states in Europe, it cannot be assumed that new funds and means would be allocated for the concept of ENPS. Hence a resource transfer from PfP would not just be essential but politically and strategically appropriate and desirable to set a political signal.

D. CONCLUSION

An additional change in the legal framework of the EU is not yet in sight. The integration process has reached a certain culmination, not the least because of the financial crisis, and the strain on the single currency and its political fall out—further steps are not pending on the political agenda. As a consequence for Switzerland, the Lisbon Treaty is the major agreement for future political definition and the development

of the Swiss relationship to the EU. In the event, this treaty does not advance the bilateral approach; instead, it actually puts some additional stones on a path that is already paved with obstacles.

The strategic goal for Switzerland must be to improve its direct links to the high-level opinion leaders and decision makers in the EU. For that, the Swiss must refresh their pre-existing contacts and participation in working groups in the European Commission and establish new associates in the Council and Parliament. Switzerland must work out a clear political roadmap covering all its national interests to be prepared to face the further negotiations with the EU.

A three-level approach would be a feasible way to manage the political relations with the EU. First, an institutional political-strategic dialog with the European Commission would establish a certain commitment and confidence. Second, walk the talk: A stronger participation in the broad field of the CSDP would build up some credibility for the Swiss in other fields, including economic policy, an ace that would help the Swiss to protect their national interests despite certain sectoral disagreements. Third, the Swiss should not overplay their call for a special treatment. Wherever possible, bilateralism must be based on existing instruments and mechanisms. Special solutions must be confident to decisions, which are absolutely essential for the sovereign survival of Switzerland, and may not become the predominant features in a bilateral convention. A stronger commitment of Switzerland in the formulation and implementation of the CSDP would enhance political access for the bilateral approach.

The overarching question of this thesis—how much autonomy is desirable and how much international cooperation is needed to protect and advance Swiss national interests—is a debate about the concept of the nation-state itself. Swiss political strategy and decisions clearly demonstrate Switzerland's intention to pursue its national solo course as a non-EU state and its commitment to its sovereignty—even as the Confederacy becomes increasingly, if selectively, involved in the institutions of European politics, particularly security and defense. This thesis has shown that these goals are not mutually exclusive or even in logical conflict. In fact, while Switzerland feels challenged to assert itself against the normative forces of globalization and unification—for example

EU law—it has, so far, successfully engaged the multilateral organizations of Europe and the West. Although the EU's post-Lisbon agenda of increased internal integration requires Switzerland to reconsider the way it approaches the EU and its component member states, now is not the time to step back from this successful strategy. A flexible approach based on mutual interests is and will be the future of the coexistence for the EU and Switzerland—autonomy and liberty by cooperation.

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