



P R E S S R E L E A S E

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Von Wogau: A Common Market for Security and Defence

On the occasion of an informal discussion organized by the Ludwig-Erhard-Stiftung on the premises of the Frankfurter Allgemeine Zeitung in Berlin, Karl von Wogau, Secretary General of the Kangaroo Group, insisted that the rules of the European Single Market should also be applied in the area of Security and Defence.

The member states of the European Union spend about 200 billion Euros per year on defence. This is only slightly more than a third of the defence spending of the United States, but experts estimate the efficiency of this expenditure at only ten to twenty percent.

One reason for this is the compartmentalization of the European defence markets, where the rules of the European Internal Market have until now not been applied due to an exception clause of the European Treaty.

A first step in the right direction is the legislation of the European Parliament and Council which commits the ministries of defence of the member states to call for tenders at European level. This directive is currently implemented in the member states of the European Union. Karl von Wogau asked for further steps towards a Common Market for Defence and Security:

- The joint certification of new products. The fact that the new NH90 helicopter had to be certified in every member state separately caused additional costs amounting to four billion Euros.
- Common technical standards. For example, a common basic technical standard for protected telecommunications. This could facilitate communication between police, emergency services and armed forces when they have to fight together against natural disasters.
- Joint projects in the field of security and space. They should mainly concern the control of the strict application of the treaties on the Non-Proliferation of nuclear weapons and the security of space.

During the discussion von Wogau argued, that the Euro will remain an experiment, as long as it is not embedded in a Political Union.

In the recent debate on the debt crisis one can hear that a Political Union should consist in the total harmonization of economic, fiscal, monetary and social policy. That would be the wrong way and would produce a bureaucratic monster. The main element of a Political Union is a Common Security and Defence Policy.