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“U.S. Policy toward the Baltic States”

A Testimony by:

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Chairman Rohrabacher, Ranking Member Meeks, and distinguished Members of the Subcommittee, it is an honor to testify before you today with my colleagues Paul Goble, Edward Lucas, and Matthew Rojansky on U.S. policy toward the Baltic States.

This testimony is informed by two studies conducted in my capacity as a Senior Fellow at the Center for Strategic and International Studies: (1) "Evaluating Future U.S. Army Force Posture in Europe," released in June 2016; and (2) "Perspectives on Security and Strategic Stability: A Track 2 Dialogue with Poland and the Baltic States," released in October 2016. This testimony also draws from research and analysis informing a forthcoming report, "Recalibrating U.S. Strategy toward Russia: A New Time for Choosing," which will be published in late March 2017, as well as from my previous experience working European security issues on the National Security Council Staff and at the Department of Defense.

My testimony will focus on the security and defense aspects of U.S. policy toward the Baltic States. I have strived to introduce key terms and concepts without getting overly technical regarding NATO processes.

Summary

Following Russia's invasion of Ukraine in 2014, the Baltic States—Estonia, Latvia, and Lithuania—were quickly elevated as a U.S. defense priority. This was due not only to their multiple requests for assistance based on a perceived vulnerability vis-à-vis Russia, but also due to the emerging recognition within Washington that the NATO alliance, following a decade of expeditionary operations in Afghanistan and elsewhere, had likely underappreciated the need to take appropriate precautions for deterrence and defense in Europe's own backyard. While policymakers and analysts continued to assess the likelihood of Russia using military force against the Baltic States as extremely low, none could discount the possibility completely given "Moscow's aggressive foreign policy and pattern of military intervention along its borders, combined with the strategic vulnerability of NATO's eastern allies, particularly the Baltic States...[whose militaries] are small, geographically isolated, and lack mobility, firepower, and air and naval capability."¹ Thus, a consensus emerged that more needed to be done, and quickly, to manage the extremely high risks at play in the region. In many ways, the credibility of allies' Article 5 commitment became tied to their response in the Baltic States.

The United States became the first to respond by surging air, land, and sea forces into Eastern Europe. The immediate U.S. deployment sent a strong signal of resolve to Moscow, calmed nervous allies, and initiated what would become an alliance-wide reassurance effort that included additional force presence, enhanced training and exercises, prepositioned equipment, and infrastructure improvements. Since that time, the United States and its allies have begun to transition from reassurance-focused measures to those that seek to establish a longer-term credible deterrence. This includes, among other things, expanding the number of troops in each Baltic State from a company-sized force (approximately 150 troops) to a more capable battalion-sized force (approximately 1,000 multinational troops); updating war plans; reconfiguring

¹ Kathleen Hicks, Heather Conley, Lisa Sawyer Samp, and Anthony Bell, *Evaluating Future U.S. Army Force Posture in Europe: Phase II Report* (Washington, DC: Center for Strategic and International Studies, June 2016), 48, https://csis-prod.s3.amazonaws.com/s3fs-public/publication/160712_Samp_ArmyForcePostureEurope_Web.pdf.

prepositioned equipment to support war plan requirements (as opposed to training and exercises); standing up a rapid reaction force that would be able to quickly surge reinforcements in a crisis; establishing eight reception and staging centers along NATO's eastern flank to receive those reinforcements; updating alliance threat assessments; improving logistics to reduce barriers to the freedom of movement for troops and equipment across Europe; and reinvesting in the defense capabilities needed for territorial defense.

Much of the U.S. contribution to broader NATO assurance and deterrence efforts—known collectively as the Readiness Action Plan—has been funded by the European Reassurance Initiative (ERI) and conducted under the auspices of the Defense Department's Atlantic Resolve mission. ERI was initiated in fiscal year (FY) 2015 as a \$1 billion appropriation within the Defense Department's Overseas Contingency Operations (OCO) budget.² Former President Obama's FY 2017 budget request proposed quadrupling ERI funding to \$3.4 billion, up from \$789 million in FY 2016, in acknowledgement of the growing threat Russia poses to U.S. interests in Europe. Despite continuing to reside in the one-year OCO budget, ERI is now considered a multi-year effort aimed at enhancing the U.S. presence, capability, and readiness in Europe after decades of decline. ERI does not aspire to return the United States to a Cold War-era posture. It does, however, aim to allow the United States to better defend its interests and allies and to begin to contend with Russia's military advantages in Eastern Europe by taking steps deemed minimally necessary for credible deterrence. These steps are prudent given the security environment and are neither hostile nor provocative toward Russia, despite Moscow's reflexive cries to the contrary.

All of these efforts—and how they fit together in a conventional reinforcement strategy—are explored in greater detail below.

About the Baltic States

The context of history, demographics, geography, and size matter greatly when trying to understand the threat perceptions and vulnerabilities of the Baltic States. While there are many factors that make each state unique, Estonia, Latvia, and Lithuania's shared experience under approximately 50 years of Soviet occupation—a traumatic period replete with "mass exiles, forced collectivization, linguistic-cultural Russification, and attempts to extinguish their national identities"—led to a common drive for liberation in the late 1980s.³ Citizens from across the region famously formed a human "Baltic Chain" to demonstrate against Soviet rule in 1989. Despite violent crackdowns in Lithuania and Latvia, all three Baltic States obtained their independence in 1991, setting into motion a gradual lurch westward that culminated in 2004 with their accession to both the European Union and NATO.

² White House, "Fact Sheet: European Reassurance Initiative and Other U.S. Efforts in Support of NATO Allies and Partners," June 3, 2014, <https://obamawhitehouse.archives.gov/the-press-office/2014/06/03/fact-sheet-european-reassurance-initiative-and-other-us-efforts-support->.

³ Lisa Sawyer Samp, Jeffrey Rathke, and Anthony Bell, *Perspectives on Security and Strategic Stability: A Track 2 Dialogue with the Baltic States and Poland* (Washington, DC: Center for Strategic and International Studies, October 2016), 3, https://csis-prod.s3.amazonaws.com/s3fs-public/publication/161007_Samp_PerspectivesSecurity_Web.pdf.

One legacy of the Soviet occupation is the large ethnic Russian minority populations that reside in each state. Ethnic Russians account for approximately 25 percent of the population in Estonia, 26 percent in Latvia, and 6 percent in Lithuania.⁴ The political influence of these minority groups varies by country, with Latvia's center-left Harmony party generally considered to be the strongest and most closely aligned with Putin's United Russia party.⁵ Moscow uses the presence of these minority populations as both pretext for continued involvement in the Baltic States and as soft targets for propaganda and other influence efforts meant to destabilize and undermine the central government (and NATO more broadly). Debate remains, however, among scholars and experts in the Baltic States over the degree to which these populations are susceptible to Russia's meddling. Regardless, there is little question over the fact that Russia is currently engaged in unconventional or so-called hybrid activities in the Baltic States, including cyber attacks, military intimidation, media manipulation, political subversion, and energy coercion.

Geographically, the Baltic States are the most militarily exposed to Russia of any NATO ally. Estonia and Latvia border the Russian mainland to the east, and Lithuania is situated between Kaliningrad to the west and Belarus to the east with only the narrow 60-mile Suwalki Gap with Poland connecting the region to the rest of the alliance. This geographic reality, combined with the size and capability of the Russian military, create an unavoidable time and space disadvantage for NATO in attempting to defend the Baltic States. In a crisis, Russia could likely overwhelm and occupy them in a matter of days. This is not to suggest that the Baltic militaries are subpar fighting forces, but simply that they are small. Consider, for example, that the Latvian and Estonian militaries total only 5,000 and 6,000 troops respectively, which combined is less than half of the daily population of the Pentagon.⁶

Despite their small size, the Baltic militaries have been able to cultivate niche specialties that add valuable capabilities to the NATO alliance. For example, Estonia has emerged as a leading member of the alliance in terms of cyber defense, Latvia has developed a strong capability in joint terminal attack controllers and explosive ordnance disposal, and Lithuania has robust special operations forces.⁷ Estonia is also one of only five NATO allies that meet the recommended two percent of GDP defense spending target (\$497 million in 2016), with Latvia and Lithuania on track to meet the goal by 2018. All three countries have sent troops to Iraq and Afghanistan.

Even with these investments, however, the Baltic States' size, limited military capabilities, and geographic proximity to Russia will keep them almost entirely dependent on the United States and NATO for their national defense in a conventional conflict—a fact which they publicly acknowledge. For this reason, much of the United States' relationship with the Baltic States is heavily weighted toward bilateral security cooperation and activities within NATO. Until the Ukraine crisis, NATO's primary contribution to Baltic security—aside from its Article 5

⁴ "Estonia," "Latvia," and "Lithuania," *The World Factbook* (Washington, DC: Central Intelligence Agency, 2016), <https://www.cia.gov/library/publications/the-world-factbook/>.

⁵ "How to Deal with Harmony," *The Economist*, October 6, 2014, <http://www.economist.com/blogs/easternapproaches/2014/10/latvias-election>.

⁶ NATO, Public Diplomacy Division, "Defence Expenditures of NATO Countries (2008–2015)," January 28, 2016, http://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2016_01/20160129_160128-pr-2016-11-eng.pdf.

⁷ Samp et al., *Perspectives on Security and Strategic Stability: A Track 2 Dialogue with the Baltic States and Poland*, 21.

guarantees, of course—was the **Baltic Air Policing (BAP)** mission, which began in 2004 to protect the integrity of alliance airspace. BAP is one of the missions that have been augmented since 2014 to include more fighter aircraft operating out of additional air bases in the Baltics.

Establishing Credible Deterrence in NATO's East

In addition to economic and diplomatic actions taken in response to the crisis in Ukraine, the United States quickly established an enhanced and persistent air, land, and sea presence in Eastern Europe and, in June 2014, proposed the establishment of the \$1 billion **European Reassurance Initiative** to fund activities across five categories: (1) presence; (2) training and exercises; (3) infrastructure; (4) prepositioned equipment; and (5) building partner capacity. The Department of Defense initiated the **Atlantic Resolve** mission to carry out these activities, many of which were focused on the Baltic States. All NATO allies joined the United States in contributing to reassurance efforts and, at the September 2014 NATO Summit in Wales, established the **Readiness Action Plan**—a series of 17 assurance and adaptation measures, including the **Very High Readiness Joint Task Force (VJTF)**, that aimed to make the alliance more resilient and responsive to threats. At the same summit, allies pledged to increase their defense investment in line with the alliance's two percent spending target. This was the first time allies agreed to move toward the spending target at the level of heads of state and government.

As the initial surprise of Ukraine faded, the United States began to move away from a crisis-driven surge mentality to a more considered approach focused on strengthening the U.S. military in Europe after decades of withdraw. While work on this front remains, former President Obama's FY 2017 request for \$3.4 billion in ERI funding advances what will be a long-term rebuilding process. NATO, likewise, has continued to calibrate and strengthen its activities under the Readiness Action Plan. The July 2016 NATO Summit in Warsaw announced the formation of the **Enhanced Forward Presence (eFP)**, four multinational battalions that will act as a persistently present "tripwire" force in the Baltic States and Poland. NATO allies have also made noteworthy progress on increasing their defense spending, with NATO Secretary General Jens Stoltenberg announcing in February 2017 that non-U.S. NATO defense spending had increased by 3.8 percent in real terms in 2016, or approximately \$10 billion.⁸ This is only the beginning of what will need to be sustained progress toward better burden-sharing across the alliance.

There are two competing concepts of deterrence that are key to understanding why the United States and NATO took the steps described above, and why there exists such a variety of opinions regarding the appropriate size and composition of U.S. and allied forces in the Baltic States. The first is deterrence-by-punishment; the second is deterrence-by-denial.

- A **deterrence-by-punishment** strategy requires threatening severe and plausible consequences for aggression, such that Russia sees more disadvantages than it sees advantages. A successful approach may mean that Russia perceives that it could attack the Baltic States and at least initially succeed in overrunning and occupying them. However, Russia would also be aware that the U.S. and NATO response would be so fierce and costly that the benefits would not be worth the cost. Such a strategy necessitates the commitment of

⁸ Jens Stoltenberg, "Pre-ministerial press conference," (press conference, Brussels, Belgium, February 15, 2017), http://www.nato.int/cps/en/natohq/opinions_141005.htm.

a relatively small number of allied forces in the Baltic States, with the punishing effects delivered by allied air, ground, and naval forces arriving from elsewhere, as well as in the form of substantial resistance from local forces. Economic and political tools would also likely be drawn upon to isolate and further punish Russia.

- By contrast, **deterrence-by-denial** entails a strategy based upon blocking an adversary from achieving its goals in the first place; i.e., deterring Russia from attacking the Baltic States by making them confident that they would lose any such a fight. To attain deterrence of this sort, U.S. and allied forces should be persistently deployed to the Baltics in numbers large enough to make Russia believe that it would face certain defeat should it attempt any aggression.

I do not consider deterrence-by-denial either advisable from a strategic perspective or feasible from a force structure and resourcing perspective, especially considering (1) the extraordinarily high number of forces, costs, and tradeoffs that would be required to make such an approach credible against the large Russian military; and (2) the inability of the small Baltic States to absorb and support the number of forces that would be required. Deterrence-by-punishment is adequate, even more so due to the low probability of an attack on the Baltic States and Moscow's well-placed fear of NATO capabilities.

The United States and NATO have prudently embarked on a deterrence-by-punishment strategy to ward off conventional Russian aggression against Eastern Europe. This strategy is based upon a *reinforcement* model that depends on small, yet capable, **tripwire forces, rapid-response forces** that can be mobilized on short notice, and the ability to get **follow-on forces** to the fight quickly.⁹ While much of the alliance's focus has been on ground forces, the United States and its allies would also be expected to surge air and naval forces to the region in a crisis, both of which add significant capabilities to counter Russia.

- As mentioned, the tripwire forces in the Baltic States and Poland are known as NATO's **Enhanced Forward Presence**, which began deploying in February 2017. The eFP is comprised of four multinational battalions led by the United States (in Poland), the UK (in Estonia), Canada (in Latvia), and Germany (in Lithuania), with contributions from several other nations augmenting or in some cases rounding out the deployments by these framework nations. These forces are complemented by the company-sized presence that the United States has provided to the Baltic States since 2014, but which will now only be present intermittently for exercises. Additionally, NATO has established eight **NATO Force Integration Unit (NFIUs)** in countries along NATO's Eastern Flank—the three Baltic States, Poland, Romania, Bulgaria, Slovakia, and Hungary—that will be able to act as rapidly expandable reception and staging centers for arriving reinforcements.
- The rapid response forces are comprised of NATO's **Very High Readiness Joint Task Force (VJTF)**, an approximately brigade-sized multinational force led on a rotational basis by participating allies; headquarter elements comprising NATO's Rapid Deployable Corps; and other immediately available support elements found within the NATO Force Structure.

⁹ Lisa Sawyer Samp, Kathleen Hicks, Olga Oliker, Jeffrey Rathke, Jeffrey Mankoff, Anthony Bell, and Heather Conley, *Recalibrating U.S. Strategy toward Russia: A New Time for Choosing* (Washington, DC: Center for Strategic and International Studies, forthcoming).

The U.S. forces permanently stationed in Europe—the 2nd Calvary Regiment (Stryker brigade) based in Vilseck, Germany, and the 173rd Airborne brigade based in Vicenza, Italy—would also be able to quickly respond in a crisis, along with the United States' rotational armored brigade, made possible by ERI. Given NATO's requirement for political consensus before deploying the VJTF, the U.S. forces would likely be the most readily available first responders.

- The follow-on forces would be comprised of forces based in the United States that could relatively quickly fall in on the war-fighting equipment that has been prepositioned in Western Europe (Germany, the Netherlands, and Belgium). These **Army Prepositioned Stocks** were added under the FY 2017 ERI. Follow-on forces could also potentially include the full **NATO Response Force**, including its Initial Follow-on Forces Group and its air, maritime, and SOF components, along with any allied national forces joining the fight.

In addition to putting in place the means to support a conventional reinforcement strategy, the United States and NATO have also worked to support the Baltic States' efforts to increase their internal resilience against both conventional and unconventional threats. Such efforts, including Special Operations Forces training and arms sales, seek to make the Baltic States as unappetizing as possible to Russia by raising the costs of potential aggression and building their capacity to resist and respond to activities that may occur below the threshold of conventional conflict; e.g., "little green men" scenarios. While efforts could be better coordinated across the three states—especially as it relates to joint defense planning and procurement—each state has individually undertaken internal measures designed to better integrate their intelligence, military, and internal defense establishments. In particular, each state has renewed focus on improving the readiness and capacity of its reserve and national guard forces.

Challenges

A credible deterrent requires both the will and ability to follow through on threats and promises. In the case of the Baltic States, two commonly referenced challenges that could impede allied forces from quickly projecting force are Russia's extensive anti-access/area denial (A2/AD) network and, to a lesser extent, freedom of movement issues.

- **Anti-access/area denial** refers to Russia's "thicket of overlapping and redundant [defense] systems—including land-, air-, and sea-based radar, counter-air, and strike capability—stretching from the Kola Peninsula in the Russian Arctic to Latakia, Syria, in the eastern Mediterranean."¹⁰ Allies have not yet invested in the tactical strike and other air and missile defense capabilities necessary to mitigate the risks stemming from Russia's conventional short-range ballistic and cruise missiles, as well as its advanced surface-to-air missiles. The Baltic States aspire to work closely with Poland—which is in negotiations to procure PATRIOT systems—to strengthen the region's short- and medium-range air and missile defense architecture, though concrete progress remains largely elusive.¹¹

¹⁰ Hicks et al., *Evaluating Future U.S. Army Force Posture in Europe: Phase II Report*, 34.

¹¹ Lithuania has, however, signed a \$109 million deal in October 2016 to purchase two Norwegian Advanced Surface-to-Air Missile Systems (NASAMS) from Norway, with delivery expected in 2020. See Nicholas de

- Reducing barriers to **freedom of movement**—i.e., the ability to quickly mobilize, assemble, and deploy troops from across Europe to a crisis area—has been a key focus area for U.S. Army Europe since 2014. The challenges in this area are both political and logistical. Different countries have different diplomatic notification and approval standards for military transit and overflight, as well as different infrastructure standards, that make moving U.S. forces across the span of NATO's eastern flank extremely complicated. Allied agreement on a notification-only model, or a so-called NATO “Schengen Zone,” for the transit of allied forces would be one way to minimize the bureaucratic burden encountered by U.S. forces and reduce response time. Other efforts include addressing logistical complications such as the capacity of road and rail networks to transport heavy military equipment.

A comprehensive accounting of all the security-related capability challenges related to the Baltic States is likely beyond the scope of this hearing. That said, I wish to briefly list a few other areas that reflect important deficiencies: the lack of sufficient operational-level secure communications and classified NATO computer networks; the lack of delegated authorities and clear rules of engagement for all four NATO eFP battalions; the lack of U.S. Status of Forces Agreements (SOFAs) with each Baltic State; and the lack of a cohesive regional assistance strategy that would help rationalize and prioritize U.S. security support.¹² Addressing these issues would improve the effectiveness and safety of U.S. and NATO troops in the region.

Conclusion

Article 5 is the bedrock of U.S. policy in the Baltic States. For that reason, it is difficult to disentangle our approach to the Baltics from broader questions of U.S. policy toward Europe, NATO, and Russia. Whether the United States and its NATO allies continue to honor their commitments to the most vulnerable among them will have implications for the credibility of the alliance as a whole. The steps taken since 2014 to reassure and defend the Baltic States have demonstrated unity and resolve to friends and foes alike. Statements or actions that equivocate or hedge U.S. commitments to the Baltic States and NATO will likewise resonate well beyond Europe itself. The new administration, with the help of Congress, would therefore be wise to continue to strengthen and build upon what has been done to date in the Baltic States.

Larrinagam “Lithuania and Norway agree NASAMS deal,” *IHS Jane’s 360*, October 25, 2016, <http://www.janes.com/article/64881/lithuania-and-norway-agree-nasams-deal>.

¹² SOFAs provide essential legal protections for U.S. troops, establishing their rights and privileges (including immunities) while deployed inside a foreign nation. U.S. troops operating in the Baltic States currently fall under the generic NATO SOFA, which is no longer sufficient given that upwards of 5,000 troops are passing through the region per year. See Hicks et al., *Evaluating Future U.S. Army Force Posture in Europe: Phase II Report*, 27.