

NATO's Tipping Point?

The Search for Alliance Strategic Consensus

NATO/NATO-EU Working Group

Julian Lindley-French

15-17 September, 2006

“...operational commitments, across three continents, demonstrate clearly how NATO is safeguarding the security of its member states, defending our common values and projecting stability. But our operations are not the only means we have to achieve these goals. Because the best way to safeguard our values is by nourishing them – by upholding values at home, and advocating them abroad. By believing in the power of open, democratic systems and liberal economic systems. By helping other countries to open up their societies too”. Jaap de Hoop Scheffer, NATO Secretary General, Riga, Latvia, 14 July, 2006¹

Introduction

The tipping point represents a kink on a graph where new ideas begin to accelerate exponentially. NATO has had many apparent tipping points since the end of the Cold War. The summits in London 1990, Brussels 1994, Berlin 1996, Washington 1999 and Prague 2003 are but a few that come to mind. The Riga Summit from 28-29 November, 2006 will certainly rank among them, not because of any immediate challenge faced by the Alliance, although NATO faces its fair share of challenges, but rather because of the ever more urgent need to find a strategic consensus fit for the twenty-first century. As such, Riga is part of a process that began way back in 1999 at the Washington summit. It is a vital process. The world is changing and not necessarily for the better as big, immature state power, extremist non-state power, technology and beliefs combine to destabilise a global security environment in which connectivity and sensitivity go hand in hand. Amidst such flux transformation is relative. Is NATO's new thinking truly transformative? That is the question that challenges this meeting.

With both SACEUR and the Secretary-General calling for reinforcements in Afghanistan Riga will of course look again at the fundamentals – operations, capabilities, partners both old and new, and enlargement, but will it address strategy? As Simon Serfaty so rightly commented, “The transatlantic debate is not over American power and European weakness, but over how a combination of American and European power can best contribute to global order in spite of the weakness found on each side of the Atlantic”.²

¹ Speech by NATO Secretary General, Jaap de Hoop Scheffer, Latvia, Riga, 14/7/2006
www.nato.int/docu/speech/2006/s060714a.htm

² Serfaty S. et al (2005) “The United States, the European Union and NATO”, (Washington: CSIS) p. 2.

This paper is designed to support the workshop both as an *aide memoire* and basis for debate. The paper therefore follows the structure of the Workshop raising issues that are addressed, those that should be addressed and those which will never be addressed.

NATO's Changing World

NATO Fact 1: Even though only 6% of proven oil reserves have been used, annual discovered volumes will by 2040 decline to roughly 1/100th of the mid-70s average.

NATO's mission is essentially simple; to underpin the West's political efforts to re-energise the system of institutionalised security governance it created through the world-wide renovation of the legitimate state as the most effective purveyor of security for societies and the most effective mechanism for managing security between societies. However, the fuzzy security world of the 1990s masked the profound differences of approach to security that exists within the Alliance. Is change today more compelling?

Certainly, a glance at the drivers of change suggests a world very different in 2020 than today:

- Organised anti-state radicalism, possibly armed with weapons of mass destruction;

- State competition over energy and other essential resources, much of it driven by East and South Asia's need for energy;

- A re-balancing of the state order in favour of those able to supply energy and other resources;

- The undermining of western institutionalised security governance;

- The challenging of the Western state as the dominant actor in the international system;

- Weakening of the ability of the Western state to act beyond its borders, as it changes within;

- The battle to balance projection of legitimate force with the protection of less than resilient societies; and

- The rejection of coercion as a legitimate tool of international relations by many in the Euro-Atlantic community.

If Riga is to be truly transformative it must therefore generate both strategic imagination and vision. However, vision without strategy is delusion. Strategy without commitment is deceit. Which will it be?

A Renewed Alliance for a Changed World

How do the members of the Alliance view the role and missions of NATO in the post-Cold War, post-911 world? Is NATO still the most appropriate forum for Euro-Atlantic debate and consensus on issues of security?

The 2006 NATO Handbook states, “NATO’s essential and enduring purpose, set out in the Washington Treaty, is to safeguard the freedom and security of all its members by political and military means”.³

Like all alliances NATO is founded on an essentially simple contract; the less powerful enjoy the security of the most in return for a share of their responsibilities. In such a world that means sharing risk. Have all NATO members accepted that contract or has it become conditional? Given the reticence of the Germans, Italians and Turks to support their British, Dutch and Canadian colleagues in southern Afghanistan it would appear not. Indeed, risk sharing has become central to the NATO dilemma as too many members play at security placing a disproportionate burden on those countries that do not. Security pretence has become a cancer eating away at the foundation of NATO’s role contracted by the uncertainty of so many members as to how best to act and with whom. Is security to be afforded by managing it or hiding from it? By remaining close to the Americans or taking a distance? Is there a balance that can be found between American power and European ‘non-power’? Does European solidarity have any meaning when so few do the heavy lifting? Is the strategic concept being replaced by the national caveat? Can Europeans project power if they seem unable to protect their people? These are the underlying tensions with which Riga will have to contend.

Therefore NATO’s future role and missions will depend on the outcome of the search for an elusive strategic consensus. For the Americans the Alliance is a tool to project American security policy through American leadership. All that matters therefore is the necessary military capacity and capabilities to do the job. For most western Europeans the Alliance is a forum for influencing American policy and only *thereafter* agreeing strategy. For central and eastern Europeans the Alliance guarantees their territorial integrity. Today, the Alliance stands on the cusp between strategic collective security and collective defence and in an ideal world the three camps could be fashioned into a useful strategic tool. The strategic projection states, led by the US, supported (and not without some irony) by Britain and France, would knock down the doors. The peacekeeping states, led by Germany and Italy, although deeply suspicious of coercion with weak constitutions and even weaker public opinion, would at least be able to provide some of the capacity to stabilise and reconstruct. The protected states, basking in the light of American leadership and ready to pay any price to keep the ‘Soviet-lite’ Russians at bay, would slowly fashion their new armed forces to play useful niche roles in the collective effort. At heart are very different views over the use of coercion. Riga will doubtless demonstrate the extent to which NATO can reconcile those very different views.

³ NATO (2006) “NATO Handbook”, (Brussels: NATO) p. 18

Is the ability of NATO to operate as a unitary actor dependent on institutional reforms and new mechanisms that could streamline NATO's decision-taking process? If so, how should these be designed, and how urgently?

The 2006 NATO Handbook states, “NATO decisions are taken on the basis of consensus, after discussion and consultation among member countries. A decision reached by consensus is an agreement reached by common consent and supported by each member country...When there is disagreement, discussions take place until a decision is reached, and in some circumstances this may be to recognise that agreement is not possible”.⁴

When institutions are undermined from within decision-taking becomes very difficult, particularly for an organisation such as NATO which is founded on consensus. That said, any glance at NATO's past makes it very hard to see a time when the Alliance was a unitary actor. Both the strength and weakness of the Alliance has been the legitimacy afforded by being a democratic pluralistic security community. Such pluralism works to effect for collective defence, but less so for collective security. Equally, since the 2003 rupture over Iraq it has been noticeable to what extent members in disagreement over policy have abstained rather than blocked action. However, to what extent has the need to avoid contentious issues become more important than preparing for the future? Riga may well find out. Indeed, it is striking how little debate takes place over the implications of strategic change. Much of the time will doubtless be taken up with real time issues and current challenges, such as Afghanistan and what to do with Ukraine. However, if strategy is not addressed whither NATO? If NATO is no longer a forum for critical security and defence decision-taking surely big state power will once again come to the fore and thus reduce the status of institutions such as NATO? It is noticeable the extent to which informal groupings, such as the Military Interoperability Council (MIC) are becoming the centre of gravity for strategic thinking and planning. Is ‘unitarism’ dead? Or, is it simply a question of the degree of support (or otherwise) the non-coercers lend the coercers?

What role should engagement of civilian institutions play in NATO's future missions? How can NATO create links to civilian institutions and maximize collective leverage, and which institutions are most relevant?

The 2006 NATO Handbook states, “At the institutional level, international organisations including the United Nations, the European Union and the Organisation for Security and Co-operation in Europe are recognising the need to meet threats such as terrorism square on, with all the resources available, and to co-ordinate this effort rather than to rely on the resources of any single organisation”.⁵

NATO no longer reconstructs after conflict, but during it. Indeed, it is precisely because reconstruction helps end conflict that reconstruction takes place in it. The difficulties faced by Western militaries in Afghanistan, Iraq and Lebanon have demonstrated the limits of military power and reinforced the need for all instruments and agencies, be they

⁴ NATO (2006) “NATO Handbook”, (Brussels: NATO) p. 33

⁵ NATO (2006) “NATO Handbook”, (Brussels: NATO) p. 28

governmental, inter-governmental or non-governmental, to be applied to mission success. But how can such effect be generated and organised? A comprehensive approach to security is essential and will require the extension of two axes of effect. An increase in the number of state partners of the West and an expansion of security doctrine to new institutional partners to harness aid and development in pursuit of stabilisation and reconstruction.

The British are currently developing new doctrine founded on what they call the Comprehensive Approach. It is a conscious cross-agency effort to generate sustained state-rebuilding through the protection and projection of all appropriate national instruments and expertise. Is such an approach feasible? Can the rule of law, education, legal commercial activity, humanitarian and health systems, open information, civilian controlled armed forces, open economies, representative diplomacy and sound and just governance be rebuilt? Can the Comprehensive Approach offer profound lessons for the generation of Alliance strategic civil-military effect? It is designed to release the military to create and sustain the security space whilst other experts rebuild it. Is that feasible?

Should NATO focus on a geographically definable area of responsibility, i.e. maintaining stability and encouraging democracy east and south of its borders or should the focus be global?

NATO Fact 2: There are now 32 states with ballistic missiles and 20 states with declared and non-declared weapons of mass destruction.

The question of NATO's role and reach is what the Americans would call a 'wake up and smell the coffee' issue. NATO is the West's strategic effects generator. As such, the Alliance meets threat where and when it appears. It is as simple and as straightforward as that. Indeed, NATO's victory in the Cold War laid the foundations for the globalised interconnectivity upon which today's world is founded. Is it not right and proper that NATO re-discovers its strategic role? If not NATO, who else? Are not those that seek to restrict the Alliance to some anachronistic regional role simply reflective of an isolationism born of weakness? Be it a refusal to return from strategic vacation, concern over the cost of security, a mistaken belief that no power equals no threat or simply a lack of strategic imagination it is difficult to understand why this debate lingers given the change taking place in the world.

NATO's mission must surely be to stabilise the Euro-Atlantic area as a credible base of security and thus be capable of deterring, defending and projecting against any act of aggression in whatever form it takes and from whomsoever and wherever it comes? At the very least counter-proliferation and policies such as the Proliferation Security Initiative leave the allies with no choice?

Is a new Strategic Concept needed and what should it look like?

The 2006 NATO Handbook states, "The guiding principle by which the Alliance works is common commitment and mutual cooperation among sovereign states in support of the

indivisibility of security for all its members. Solidarity and cohesion within the Alliance, through daily cooperation in both the political and military spheres, guarantee that no single member country is forced to rely upon its own national efforts alone in dealing with basic security challenges”.⁶

NATO Fact 3: China surpassed UK GDP in 2005 and will surpass that of Germany in 2008, Japan’s in 2033 and the US in 2040.

NATO’s job is to cope with the worst consequences of change in whatever form it takes. The Strategic Concept is at the core of that mission and thus provides the foundation for the broad approach to security upon which the Alliance is built. NATO’s job is therefore manifold: to create a stable Euro-Atlantic security environment, to provide an essential transatlantic forum for Allied consultations on any issues that affect the vital interests of the members under Article 4; to deter and defend against any threat of aggression as provided for in Articles 5 and 6; to engage in conflict prevention and crisis management under Article 7, including crisis response operations; and to promote “wide-ranging” partnership, co-operation and dialogue with other countries in the Euro-Atlantic area.

The 2006 NATO Handbook states that the Strategic Concept, “comprises the following elements:

- A broad approach to security, encompassing political, economic, social and environmental factors, as well as the Alliance’s defence dimension;
- A strong commitment to transatlantic relations;
- Maintenance of Alliance military capabilities to ensure the effectiveness of military operations;
- Development of European capabilities within the Alliance;
- Maintenance of adequate conflict prevention and crisis management structures and procedures;
- Effective partnerships with non-NATO countries based on cooperation and dialogue;
- The enlargement of the Alliance and an open door policy towards potential new members; and
- Continuing efforts towards far-reaching arms control, disarmament and non-proliferation agreements”.⁷

Surely, the problem is not the Strategic Concept itself but rather the political interpretation of the ‘broad definition of security’? A gulf exists between those that believe NATO’s role is to engage security at its most ‘strategic’ and those who want to limit NATO to Euro-Atlantic collective defence and a bit of counter-terrorism. If that is the case no amount of re-drafting will resolve that basic divide. Strategy is ultimately a state of mind and concerns the willingness or otherwise to face up to the world as it is. Therefore, is not the debate over the Strategic Concept really a metaphor for whether Europeans are capable of grand strategy?

⁶ NATO (2006) “NATO Handbook”, (Brussels: NATO) p. 18

⁷ NATO (2006) “NATO Handbook”, (Brussels: NATO) p. 19

New NATO Strategy for Changing Threats – Military Dimensions

Have traditional large-scale capabilities lost relevance in today's strategic environment?

NATO Fact 4: By 2015 average share of GDP spent on defence by Europeans will fall to around of 1.5%.

“As regards...military modernisation, the Alliance's credibility stands or falls according to the effectiveness of its military operations. That is why I believe our priority must be to go on strengthening our military capabilities”.⁸ French Foreign Minister, Philippe Douste-Blazy on the Riga Agenda.

In the absence of strategic planning drivers a question remains – what military capabilities for which military operations? The decisions taken at Riga are not really about NATO today, but ten to fifteen years hence. Equally, if one had looked forward fifteen years from the fog of peace of 1991 it would have been very hard to predict the strategic environment in 2006. How can one be any surer today about the strategic choices that need to be made? Or, does Riga take place precisely at a moment when the strategic environment is once again regaining form? What role high-end, strategic coercive capabilities and capacities in such an environment? If the West is to save the system of institutionalised security governance it spent a century creating surely it must break out of the strategic political correctness that has done far more damage than any potential adversary – peer competitor or asymmetric challenger.

Can NATO members both maintain sufficient capabilities to meet large-scale threats posed by state actors AND develop better capabilities to address security threats posed by non-state and sub-state actors?

NATO Fact 5: NATO is currently engaged in 7 operations in Afghanistan (ISAF), Bosnia (Sarajevo HQ), supporting the African Union in Darfur, Former Yugoslav Republic of Macedonia (Skopje HQ), Iraq (NATO Training Mission 1), Kosovo (KFOR) and in the Mediterranean (Operation Active Endeavour).

Operations will be high on the Riga Agenda. Indeed, as the Secretary-General said in Riga on 14 July, “...thirty-seven nations, including of course, Latvia, are participating in the NATO-led and UN-mandated International Security Assistance Force. NATO-ISAF is currently expanding to 16,000 troops and soon to well over 20,000”.⁹ This takes place as the EU is about to send a 9000 strong force to southern Lebanon, under UN Security Council Resolution 1701 as part of UNIFIL2. These operations highlight a range of issues Alliance members must solve now if NATO is in future to span the range of challenges and the spectrum of conflict intensity.

⁸ Press conference given by French Foreign Minister, Philippe Douste-Blazy, Sofia, 27 April, 2006. www.ambafrance-us.org/news/statmnts/2006/nato_meeting_blazy_press_conference042706asp

⁹ Speech by NATO Secretary General, Jaap de Hoop Scheffer, Latvia, Riga, 14/7/2006 www.nato.int/docu/speech/2006/s060714a.htm

In addition to the Provincial Reconstruction Teams (PRTs), the 6000 strong, British-led NATO Security Force is heavily engaged in counter-narcotics, counter-insurgency and counter-terror missions. In Kosovo, KFOR numbers some 16,946 NATO troops and 2744 non-NATO. As the unrest in 2004 in Mitrovica demonstrated, it is difficult to draw that force down significantly without ethnic trouble re-igniting and in the absence of any meaningful progress on the final status of Kosovo NATO forces will be locked in for some time to come. In addition there are some 12000 Europeans in Iraq, of which 9000 are British, which although not a NATO mission, represents an opportunity cost for the Alliance.

In other words Europeans are already up against the limits of their current deployability which not only profoundly affects the ability of the Alliance to carry out structural intervention missions with headline forces it also increases the pressure on reserves and volunteer reserves and is leading inexorably to a capabilities-capacity crunch. Are all Alliance members pulling their weight? The British do not think so? Is UNIFIL2 a way of avoiding Afghanistan? Can the Alliance survive when so much of the really dangerous work is done by so few of the members? Given the unrelenting pressures of the operational tempo is NATO capable of preparing for the future?

Must NATO choose one or the other?

NATO Fact 6: In 2004 the whole of research and development in NATO Europe amounted to US \$8bn, with 80% of that coming from Britain, France and Germany. The US spent \$61bn.

Like it or not, if NATO is to be relevant to the security needs of its member nations it must both prepare to balance great power and create security spaces where power has collapsed. NATO is in effect a strategic intervention capability in waiting. With Allied Command Operations (ACO) and Allied Command Transformation (ACT) the Alliance has both the structure for effect and for preparedness in place. Some elements of its sub-commands still reflect the traditional need of members to 'have something'. However, Alliance command and force structure today bears no relation to that of 1999, let alone 1991. Therefore, given that structure normally follows power, NATO today is in the unusual position of being a structure awaiting power. NATO members must make better use of the asset they possess and build effect into Combined Joint Task Forces (CJTF). CJTFs are surely the essence of the flexibility and modularity upon which future Western missions must be planned for. Indeed, the beauty of the CJTF concept is that it CAN be extended along both the horizontal axis to new partners and the vertical axis to strategic effect. It is the environment that will ultimately dictate NATO's choices.

Are national programmes of defence transformation creating the capabilities needed by the Alliance?

NATO Fact 7: By 2015 UK and France will represent 60% of European defence expenditure.

Much good work is being done by Allied Command Transformation. Indeed, as CSIS rightly points out a number of European militaries are undergoing fundamental restructuring – the Dutch and the Norwegians being excellent examples. However, is not such restructuring a function of cost than strategy?¹⁰ Equally, the current Alliance transformation concept raises a series of questions that Riga needs to address. The NATO Response Force (which will achieve Full Operational Capability in October 2006) is the change agent and designed to ensure military interoperability across the Alliance. Why do the Americans seem so keen to sell such concepts and yet so indifferent to participating in them? Can NATO develop on a do as I say, not as I do basis? Is the NRF what NATO needs given that so much of the Alliance is engaged on stabilisation and reconstruction? Is the focus of transformation too heavily biased towards, small, lethal, agile forces? How can NATO generate the capacity for stabilisation and reconstruction?

The ever more compelling emphasis on expensive technological solutions also demands expensive professional forces and only the Americans have a defence budget which can both support high levels of advanced equipment and reasonably large numbers of full-time soldiers. Does not the current transformation concept force every other ally to make difficult choice between equipment and forces? Most allies have armed forces with not a lot of anyone, armed with not much of anything. Is it transformation or disinformation?

What capabilities are most sorely lacking?

NATO Fact 8: According to the Capability Improvement Chart II/2005 of the EU's Headline Goal 2010, following the Brussels conference of 21 November, 2005, of 64 ESDP Capability Shortfalls and Catalogue Deficits covering Land, Maritime, Air, Mobility and ISTAR (intelligence, surveillance, target acquisition and reconnaissance), 7 have been formally solved, 4 are showing signs of improvement and 53 have not changed over the 2002-2005 period identified.

Another item high on Riga agenda is that old chestnut, capabilities. As CSIS stated, “The 2002 Prague Capabilities Commitment outlined four critical areas for improvement: defending against chemical, biological, radiological and nuclear (CBRN) attacks; ensuring command, communications and information superiority; improving interoperability of deployed forces and key aspects of combat effectiveness; and ensuring rapid deployment and sustainment of combat forces”.¹¹

Be it NATO's Prague Capability Commitment or the EU's Headline Goal 2010 the performance of Europeans in meeting agreed capability targets is at best modest. It is also important to make distinctions between Europeans on this subject. Indeed, too often the transatlantic debate is presented as America versus Europe. Surely, on most issues of military modernisation the divide places the US, Britain and France on one side and

¹⁰ See Flournoy, Michelle & Smith Julianne (2005) “European Defense Integration: Bridging the Gap Between Strategy and Capabilities” (Washington: CSIS).

¹¹ See Flournoy, Michelle & Smith Julianne (2005) “European Defense Integration: Bridging the Gap Between Strategy and Capabilities” (Washington: CSIS).

much of the rest of Europe on the other? What are the real causes of security shortfalls – strategic myopia, weak political leadership, over-sized personnel budgets and contract law, excessive pressure from American defence contractors to sell equipment that is not needed and they cannot use, the failure of the EU to move European procurement forward through the European Defence Agency (EDA), and/or the upfront cost of increasingly expensive military equipment? Is it fair to expect small countries to procure expensive military systems that will afford them little political influence above and beyond that which they already enjoy? Or, do Europeans really not spend enough?

Clearly, the issue of capabilities has driven too many Alliance member nations to recognise only as much threat as they can afford. How can that such weakness be stopped? No amount of pushing from the US and other will resolve this dilemma in the short-term. Is not a twin track approach to force planning needed? First, an asymmetric sensor to shoot loop fusing effective human and signals intelligence in support of networked muddy boots, which can then be further supported by precision-strike munitions and fast sea and air lift. Second, a re-evaluation of the medium to long-term requirement for strategic assets to enable NATO's re-found strategic role.

What types of force structure will be most appropriate for future missions?

NATO Fact 9: Of 1.7m hard uniforms in Europe, Europeans can deploy about 170,000 combat troops. Of that only 70,000 can be deployed at any one time.

What force does NATO need for the future? How should that force be organised? US leadership hub? Big state leadership? Modular North American and European force packages? Surely, the first order need is better deployability and re-usability? Is not a much greater effort not required to organise effective specialisation and pooling? Part of the problem is the difficulty finding a balance between specialisation, pooling and task sharing, the *sine qua non* of Alliance doctrine. Security and defence sovereignty diminishes the higher up the conflict intensity scale an engagement. Should planning thresholds be established at which pooling and specialisation commence and operational planning contingencies prepared with that in mind? The current force structure with its rigid teeth to tail ratios and inadequate bespoke logistics packages seems the very antithesis of a flexible force structure. Even the British can only deploy one battalion out of the normal four as part of 16 Air Assault Brigade in Afghanistan.

What about force reconstitution? Given the nature of change in the world NATO forces must be able to re-constitute for strategic effect. Are counter-terrorism and counter-insurgency, important though they are too dominant in Alliance force and operational planning? The Alliance could be in danger of preparing to fight the soon to be last war. The West needs both high and low military power to meet the challenges of high and low twenty-first century politics.

How much offensive capability does Europe need given its preferences regarding the use of force?

NATO Fact 10: Europeans (excluding UK and France) spend less than 20% of defence budgets on procurement and generate far less bang for the buck per dollar spent than the US. It is not enough to generate true strategic enablers.

In the absence of a grand strategic consensus with the Russians and Chinese the age of humanitarian interventionism is dead. More likely are structural interventions, whereby the West acts to shore up states that are vital to its own interests, such as Lebanon or Afghanistan, and prevent conflicts that could prove profoundly injurious to such interests. If all Europeans agree the need to participate in such strategic stabilisation they will need more robust, projectable and protectable forces including:

- Strategic satellite and air-breathing intelligence and surveillance systems;
- Robust military satellite communications (Milsatcom);
- Strategic air and fast sea lift;
- Air-to-air refuelling;
- Advanced interoperable command, control, communications and computer systems (C4);
- Advanced suppression of enemy air defences (SEAD);
- Naval –based multi-service air platforms;
- Tactical missile defence;
- Advanced CBRN protection;
- Medevac capabilities;

Should Europeans rely wholly on the US for strategic enablers and surge and augmentation capabilities and capacity? As Afghanistan is demonstrating NATO has no European strategic reserve. Much of the French strategy over the past fifty years has been to convince other Europeans of the need for and to pay for such assets and capabilities. Are they correct? Is there any appetite amongst other Europeans to afford such capability? Do not capabilities in any case magnify responsibility and are most Europeans ready for that?

/

Is a division of labour – US hard, Europe soft – a viable or even desirable concept or does it raise more questions than it solves?

NATO Fact 11: There are 8 so-called ‘security black holes’ from which strategic terror is emerging and eight centres of piracy across the main shipping routes between Asia and Europe.

In today’s strategic environment the concept of ‘hard’ and ‘soft’ power is anachronistic – all that matters is effect and to that end effects-based operations and planning. Of course, in a strategic conflict with a peer competitor, power would need to be the hardest of the hard and only the US can generate such power. At the same time, success in places such as Afghanistan, Iraq and Lebanon involves the effective use of hard power to create the security space in which soft power can succeed? Indeed, does not the very political nature of such operations mean that who takes part in such an operation is almost as important as what they bring to it? For example, it would be hard for the Americans to take the lead in southern Lebanon given that most in the region regard the US as simply a

sponsor of Israel. Surely, all such deployed forces must be capable of hard power if they are to be credible?

Equally, is not the division of labour being replaced by a hierarchy of labour? If so a profound mindset change is needed concerning the value of those forces that undertake stabilisation and reconstruction operations. For too long the hierarchy of prestige has given primacy to those states with high-end forces capable of forced entry. What is evident today is that kicking down the door is but the entrée. Mission success requires staying power, as well as fighting power and the cost to those that stay over time could well be greater than to those that fight. NATO's broad security posture requires a far greater appreciation of the practitioner's of softer hard power, particularly in the US. Can power be effective if it is not seen to be legitimate in the modern age?

What are the shortcomings of the current system of funding NATO ops?

NATO Fact 12: Whilst the British and French can deploy around 40% of their respective headline forces most other Europeans are around 8-10%, with some around 3-4%.

The essential problem is that the costs of operations 'lie where they fall'. Such a system places a disproportionate burden on states with capabilities, and makes it too expensive to participate for those with few. It is a system designed to encourage free-riding and as such current NATO operational funding is a constraint upon the generation of effect. Moreover, the increasingly multinational character of NATO forces, particularly the NATO Response Force (NRF), makes accounting very complex. Does not such complexity raise questions about the use of the NRF, particularly if lead or framework nations believe they will have to bear the costs of combat support (CS) and combat support services (CSS)?

Equally, funding challenges are not just limited to operations. The NATO budget is some \$900m. The International Staff (IS) is divided into three elements comprising the civilian staff, military staff and common funding. Ministries of foreign affairs (MFA) are by and large responsible for funding the civilian staff, whereas ministries of defence (MoD) fund military staff. Consequently, NATO is almost wholly funded by direct national contributions. Does this not lead to rent seeking on the part of the members in terms of posts sought? Is not NATO Headquarters still consuming too many good people servicing the 39 committees and 44 agencies? The International Military Staff is some 15,000 strong, staffed by some of the best officers member-states have to offer, at a time when the best and brightest are need to drive forward transformation at home. In marked contrast, the Capital investment budget represents only some 5% of the Headquarters budget.

What structural changes would be better?

NATO Fact 13: In 2004 NATO Europe (plus Canada) spent US\$244.86bn on defence. Of that Britain and France spent together US\$101.2bn, or some 41% of the total. Add Germany and that figure climbs to US\$138.4bn or 56.5% of the total.

NATO certainly needs more money. However, much could be done to channel funds away from personnel towards more capital investment and common operational funding. Sadly, NATO's cost structure tends to reflect that of the majority of its European members – too much on personnel and pensions, not enough on equipment and operations. Indeed, to some extent one can sympathise with one American Senator who described the Alliance as a bureaucracy in search of a pension. However, the funds spent on NATO are in the scheme of things relatively small. Surely, the real problem lies with too many European defence establishments, with too many senior and middle ranking officers and support staff and not enough soldiers, sailors and airmen? Indeed, European taxpayers would be appalled at the low return on investment most defence expenditure represents.

In an ideal world, NATO *and* the EU would lead the way together to security and defence value for money by:

- properly streamlining Europe's defence establishments;
- promote a significant degree of defence integration amongst the smaller states;
- examine creative financing for big ticket European procurement, particularly through leasing arrangements;
- create a single institutional framework for strategic planning and analysis, intelligence sharing, effects-based planning, force generation and operational control; and
- Properly develop an Alliance wide plug and play force generation and operational architecture.

What are the barriers to such reforms? It is a mark of how far the Alliance is from strategic consensus that a common operational budget does not exist. Should there not be a 'sinking fund' whereby members contribute to a contingencies budget founded on the principle of the less a state does, the more it pays? Such a system could be based on a set of criteria; size of GDP, position on the OECD development index, level of defence expenditure, transformation investments and operational track record. NATO must be founded on the principle that the greater the commitment to Alliance operations the more the political representation. NATO cannot escape the dictates of natural justice

Members, Partners, Neighbours...

Has NATO finished enlarging? What should be next? What form of association – what prospects for membership – should there be with non-members?

NATO Fact 14: NATO has 26 members and 20 Partner countries in the Euro-Atlantic Partnership Council.

The 2004 NATO Istanbul Summit, "...reaffirmed that NATO's door would remain open to European democracies willing and able to assume the responsibilities and obligations of membership, in accordance with Article 10 of the Washington Treaty".¹²

Riga must answer a profound question; why enlarge further? Enlargement thus far represented the fulfilment of NATO's historic mission to make Europe whole and free. With the enlargement to the Baltic States that mission has been by and large fulfilled. In the new strategic age does NATO require further enlargement? Can the Alliance both contain insecurity and instability within it and yet remain credible as the platform for the projection of strategic coercion?

Surely, the Open Door policy needs to be far more nuanced. The 2004 Istanbul Cooperation Initiative showed the way forward through new forms of partnership, focused on assisting states vital to Western interests through state strengthening; security sector reform, democratic control of armed forces and defence diplomacy. The Euro-Atlantic Partnership Council offers much opportunity for extension. For major partners the NATO-Russia Council and the Charter for a Distinctive Partnership with Ukraine provide useful models for structured dialogue and practical action plans that are in effect akin to virtual membership. However, should not future membership be based on a simple criterion: are they up to it?

How does the eastward enlargement of NATO impact upon the internal dynamics and external outlook of the Alliance? Have the effects of enlargement been sufficiently recognized among NATO's members?

NATO enlargement to the East has rightly changed the character of the Alliance. A visit to NATO HQ is sufficient to confirm that. Indeed, the very genuine commitment of the new members to the Alliance has given NATO a much needed shot in the arm. Or, do not the challenges posed by a consensus-based Alliance at 26 pale into insignificance compared with the blockage created by the lack of a Franco-American strategic settlement? Would not further expansion to the east simply bring a range of regional rivalries into the Alliance without enhancing NATO's strategic mission?

Indeed, can the Alliance both enlarge and be effective? In such circumstances the powerful will doubtless step outside the institutional framework in favour of more informal groupings such as the Military Interoperability Council (MIC), and Contact

¹² NATO (2006) "NATO Handbook", (Brussels: NATO) p. 21

Groups relegating NATO (and the EU) to being mere political enablers of big power leadership. One of the simple contracts upon which the Alliance is founded is that super power and great power accept constraint and consultation in return for political commitment and military capabilities from small powers. Is such an arrangement any longer tenable given the global, high-end operations for which NATO must prepare?

How well integrated are the new members in the Alliance? Are their capabilities relevant? How can the new members best contribute to the overall capabilities of NATO?

NATO Fact 15: In 2004 twenty-two NATO nations (excluding Britain, France and Germany) spent only US\$106.5bn between them at an average of US\$4.8bn per country.

There are five levels of capability within the Alliance. American military hyper-power long ago left the Alliance behind. The two mid-Atlanticist powers Britain and France try to bring some semblance of interoperability to the Alliance, although the British try far harder than the French. The other major western Europeans represent the third tier of capability, whilst the new members and Partners populate tiers four and five. It is probably unfair to expect new members to furnish the Alliance with the kind of high-end capabilities that the Americans provide, and to a lesser extent the British and French. Equally, is force integration possible given such imbalances? Is NATO's future one of co-operability rather than interoperability? Surely, the new members reinforce the legitimacy of NATO action? Is such legitimacy worth the constraint it imposes on big power action? What role should new members aspire to? Would a focus on the development of a significant pool of stabilisation and reconstruction by new members help alleviate the capability-capacity crunch?

With the possible exception of Poland none of the new members can bring large amounts of additional capability. Surely for smart transformation to be smart it must involve smart specialisation for new members? Indeed, if a relationship is not established between the defence efforts of new members and the influence they can enjoy over NATO's political and operational direction there will be little incentive for improvement. Is transformation possible when only two Europeans spend anything like enough on advanced expeditionary warfare? It is one of the dilemmas with which Riga must grapple.

Does enlargement create the need for further reforms of NATO's internal structures – and if so, how urgently and in what directions?

“To seek to commit the Alliance to non-military operations, in ad hoc partnerships, technological adventures, in insufficiently prepared enlargement could only distort its [NATO] vocation. NATO's very legitimacy is at stake as the military organisational guarantor of the collective security of the European and north American allies”.¹³

¹³ “Chirac warns against NATO enlargement, ad hoc missions”
www.ttc.org/200608281049.K7sandg07675.htm

President Jacques Chirac, 28 August, 2006

The current debate over future enlargements is limited to a US proposal for Croatia, Macedonia and Albania to join. France disagrees and President Chirac implies that new thinking on enlargement must consider the broader strategic picture and NATO's role therein. If this is indeed the inference then this is surely correct. Should Croatia, Macedonia and Albania join it will be part of the old enlargement age, designed to make Europe free and whole, including preventing further conflict in the Balkans by further embracing instability within the Alliance. It would not be the first time as for many years the Alliance has had to cope with profound tensions between Greece and Turkey.

That said, it is difficult to see how the incorporation of more small European states would require further reform. Indeed, the reforms of the Alliance structure over the past 7 years have prepared NATO effectively for its future role. The switch from geographical to functional commands, the shift from collective defence to crisis management and the fight against terrorism have re-oriented the Alliance on to a collective security plane. Equally, it will take time for many of the new members to prepare their forces, particularly if they wish to participate in advanced expeditionary coalition warfare. The Alliance needs power and will, not change for change sake.

...And Friends Going Global

NATO Fact 16: The demand for energy will increase by over 50% by 2035 and 80% of that will be met by fossil fuels.

What is the most useful model for forming global partnerships? Should partnership agreements be binding and specific, or general frameworks designed to allow ad hoc arrangements as circumstance requires?

“In this century, our security depends on meeting threats at strategic distance with a wide variety of partners. NATO is an Alliance with increasingly global partners – from the Mediterranean to the Pacific – who are committed to many of our strategic goals and want more ways to contribute to NATO's missions”. Kurt Volker, Principal Deputy Assistant Secretary of State for European and Eurasian Affairs, 3 May, 2006.¹⁴

Assistant Secretary of State Volker is correct. Like it or not, if NATO is to fulfil the mission laid out for it by President Chirac then NATO is in the business of the new deterrence and the new containment as part of Global Democratic Action. Indeed, if the Alliance is to fulfil its treaty obligation to its member nations to protect against all forms of threat the Alliance must play a global role. However, if NATO is to reach out to new partners world-wide with a robust concept of partnership or even membership would there not need to be new institutions created within the Alliance? Does NATO need a Global Partnership Council? Surely, the dilemma is precisely that raised by President Chirac; either NATO enhances virtually through ad hoc arrangements or creates new

¹⁴ Kurt Volker, Testimony before the House International Relations Subcommittee on Europe, 3 May, 2006. www.state.gov/p/eur/rls/rm/65874.htm

institutions neither of which is attracting high level political support. Equally, if NATO continues to find itself in places like Afghanistan the Alliance will inevitably generate new strategic relationships. How should they be organised? Has NATO a choice?

Which potential partners are the most important, and how widely should partnerships be sought? Beyond countries such as Australia, New Zealand, Japan and South Korea, who are the targets for partnership? What different types of partnership could there be?

NATO fact 17: 37 nations are participating in the International Security Assistance Force in Afghanistan. ISAF currently has a strength of 16,000 troops. Under Stage 4 that will increase to 20,000.

Where is NATO going to find the troops? Indeed, for NATO to fulfil its mission in a globalised security environment surely the Alliance needs a matrix of like-minded states to assist the Alliance at every level of engagement? At the strategic level, the West needs partners to stabilise the international system that the West created. Australia, Brazil, India, Japan, South Africa and South Korea are states that immediately come to mind because they share Western values and systems and demonstrate that the West is as much an idea as a place. Russia too, can play such a role, if it can make up its mind whether it is a part of the West, or a problem for it.

Many existing members of the Alliance, such as Poland, are cautious about US and UK proposals for a Global Partnership because they believe they will be sidelined. Does not such caution reflect the very lack of strategic imagination that has so undermined Europe's security effort in the past? Indeed, at some point strategic reality must and will overcome parochial and bureaucratic obstacles but will it be soon enough? The American proposal for a Security Providers Forum (SPF) is surely the way forward. Such a forum would keep relationships reasonably flexible with no formal claim on the part of either party on the security policies of the other. Moreover, such a forum would be one step above ad hoc thus offering at least some semblance of a structured relationship. The SPF would also doubtless be capabilities-led and thus focused on getting things done and offer several ways in which the relationship could develop over time. A glance at the 37 nations participating in ISAF demonstrates the need for an ongoing political and military dialogue with states that share the same security goals as the Alliance.

What should the criteria for partnership be? To what degree could strategic considerations outweigh pre-requisites such as democracy and human rights? Could partnership be based on conditionality in some cases?

NATO Fact 18: By 2020 three quarters of Europe's energy needs will come from Russia and North Africa.

The Alliance is first and foremost a grouping of liberal-democracies, albeit with a range of traditions and approaches. Equally, the Alliance already has relationships with states, such as Azerbaijan and in the Middle East that would not in themselves pass the Western

democratic test. Is not part of the problem for the West over recent years is that it has confused values with interests? Clearly, the Alliance should avoid states such as Myanmar where the behaviour of illegitimate regimes is poor by any standards of natural justice. Equally, there are states, such as Saudi Arabia and Pakistan, that whilst by no means paragons of democratic virtue are important partners of the West. First, because of the West's legitimate interests in regions vital to its security. Second, because these are important regional actors that must be dealt with if the West is to succeed in strategic stabilisation. Third, the domestic behaviour of such partners is moderated by involvement with the West. Is it not strategic effect that matters in a dangerous world and does not such effect require a degree of grounded pragmatism when dealing with partners that matter? Should not behaviour rather than system be the basis for NATO's relationships?

Is there a need to re-appraise NATO's approach to Russia and to former Soviet states that are not yet scheduled to achieve membership in the predictable future? If so how?

“While differences remain on some issues which may take some time to resolve, the driving force behind the new spirit of cooperation is the realisation that NATO member states and Russia share strategic priorities and face common challenges, such as the fight against terrorism and the proliferation of weapons of mass destruction”.¹⁵

NATO Fact 20: Russia supplies 25% of Europe's gas, a figure that will climb to 50% by 2020.

Russia supplies energy to the rest of Europe, but is not a strategic partner of the West. Therein lays the dilemma. There is no strategic consensus with Russia, as its attitude towards Iran attests. Indeed, the manner in which the Russians are seeking a strategic relationship with China in the UN Security Council, and the purpose it betrays, demonstrates the extent of old-thinking in Moscow. Surely, the re-appearance of Moscow's Soviet-lite behaviour in the 'near abroad' in recent years, especially towards Ukraine, Georgia and Kirghizstan, not to mention Chechnya, demanded of the allies a re-appraisal of NATO's relationship with Russia? The NATO Handbook's characterisation of the Alliance's relationship with Russia looks like misplaced political correctness. Is this correct?

Such behaviour is hardly surprising given the reappearance of the Siloviki in so many of the power ministries. The West must be rightly concerned by the way Russia will use the revenues generated by the huge energy resources it has available to export. It is already modernizing its armed forces, albeit from a shockingly poor start and Moscow will doubtless use energy as a strategic lever. Therefore, Europeans must be wary of allowing Russia to play too great a role in their respective energy strategies. Indeed, much of the shape of the future strategic environment will be the result of Russia's access to energy, China's need for it and the impact thereafter on the societies and politics of both. What kind of partner does Russia want to be? Riga's location and history will lend eloquent weight to that question.

¹⁵ NATO (2006) “NATO Handbook”, (Brussels: NATO) p. 209

NATO's Tipping Point?

On 3 March, 2006, in a speech entitled “A New NATO”, Secretary-General Jaap de Hoop Scheffer spelt out both NATO’s challenge and limits in the new strategic environment, “...we are not turning into some form of globocop – ready to deal with emergencies all over the world. We simply do not have that ambition, let alone the necessary means. However, all 26 Allies now look at NATO as a very flexible instrument, that we can use wherever our common security interests demand it...we need the right mix of forces capable of performing combat tasks and post-conflict reconstruction work”.¹⁶

Is the Secretary-General correct? Can the Alliance evade strategic responsibilities given the reason for its creation, its members, where and what it is and the dictates of the Washington process. Riga might not in itself answer these questions directly but like it or not NATO is locked in a battle of ideas – with much of the world beyond, and much of the membership within. Indeed, given the uncertainty that pervades the Riga agenda even at this late stage (which is itself indicative) much will depend on the willingness of the members to address the real strategic issues faced by the Alliance and not get side-tracked into comforting and yet pointless short-term trivia. That issue is simple: is strategic consensus possible between those members preparing for a big world and those retreating into the ‘Euro-world’.

The last word must surely belong to NATO’s host. As Latvian President, Vaira Vīķe-Freiberga said, “From its very inception, NATO has been more than just a military alliance. That is why more and more nations are expressing their desire to join it. We support the strivings for freedom, democracy and the rule of law of countries struggling with the after-effects of imposed totalitarianism. We firmly believe that an open door policy must be maintained for the admittance of future member states. We need a strong and vibrant alliance, able to face up effectively to the challenges of our age. The nature of threats may change, but the danger they pose does not. I am confident that we will take the far-reaching decisions required to make the Riga Summit a success.” Will Riga be NATO’s tipping point...or slipping point?

Julian Lindley-French

¹⁶ “A New NATO”. Speech by Jaap de Hoop Scheffer, NATO Secretary-General, to the Norwegian Atlantic Committee, Oslo, 3 March, 2006. www.nato.int/docu/speech/2006/s060303a.htm.