

**“From Kiev to Cardiff: the Future of Northern European Defense
Cooperation”**

**Security and Defense in Northern Europe Workshop
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Washington, D.C.
Hosted by CSIS & IFS**



Thematic Summary

On June 20, 2014, the Center for Strategic and International Studies (CSIS), in partnership with the Norwegian Institute for Defense Studies (IFS), convened a workshop of experts to discuss the implications of a new European security environment in light of the crisis in Ukraine, as well as the potential effects on NATO and the Nordic-Baltic region. The discussion included two panels with a focus on the preparation of a NATO Readiness Action Plan, the future of European collective defense, the question of future NATO membership for Sweden and Finland, and future trend lines in Northern European defense cooperation. The key points raised in the discussion are summarized below.

A New European Security Environment, A Readiness Action Plan and the Future of Collective Defense

Sweden and Finland: The Question of Membership

The first panel began by addressing the issue of NATO membership for Finland and Sweden. As NATO Partnership for Peace (PfP) members, Sweden and Finland have developed a close working relationship with the Alliance. This relationship has given them a privileged position among the partners in the Alliance (e.g., the countries are commonly referred to as NATO's number one partners), and their contributions to NATO operations – often exceeding that of some allies – have been important to the Alliance's overall operational success. Regional defense cooperation - for instance the recent deployment of Swedish and Finnish fighters to Iceland - has allowed Finland and Sweden to draw even closer to NATO. The Ukraine crisis, however, has showed the limits to partnership, as well as the role of out-of-area operations and NATO's return to collective defense. The crisis in Ukraine reemphasized the purpose of Article 5 and shifted the Alliance's focus to strategically reassure NATO's eastern members, especially the Baltic States and Poland. Partner countries were excluded from information-sharing and deliberation processes related to collective defense activities – the type of access they are privy to with operations, notably with ISAF in Afghanistan. This clear demarcation between NATO members and partners was a wake-up call; the door to NATO was shut with a “members only” sign. However, it was argued that the partner countries may be a strategic vulnerability in the Nordic-Baltic region due to their non-NATO status, thus raising the question: is it a good time for Sweden and Finland to consider full NATO membership?

In spite of the general support from the political elite in both countries, there is a domestic struggle in both Sweden and Finland to transition from partners to full allies. It is also important to note that Sweden and Finland are nonaligned for different historical reasons: Finland was required not to join the alliances due to its geostrategic proximity to Russia (e.g., Finlandization); whereas Sweden's nonalignment is based on an ideological context. In both countries, there is a strong belief that they could get most of the benefits of NATO without formally joining. This has generally deterred Sweden and Finland's political leadership to take any meaningful steps toward NATO membership. However, it was argued that political leaders in Finland, such as the new Prime Minister Alexander Stubb who is an open supporter of membership, should increasingly promote the advantages of membership. Referring to Finnish public opinion for NATO membership, Finnish Defense Minister Carl Haglund said in April that “Things will change the day when the leadership says that we should join NATO, that is very obvious.”¹ Moreover, it is likely that if Finland would apply to join NATO, Sweden would follow. It was suggested that NATO's new Secretary General, Jens Stoltenberg, could play a role in opening the door for the Swedish social democrats to move on the NATO membership issue. Since the beginning of the Ukraine crisis, public opinion in Finland in favor of NATO membership has jumped from 18% to 34%. But if Finland would choose not to join NATO, they would have to contemplate significantly increasing defense spending and identifying opportunities to more closely integrate with NATO and the U.S. as the April 2014 Memorandum of Understanding (MoU) between Finland and NATO indicates. The MoU also includes provisions for joint exercises, Finland's

¹ Sakari Suoninen, “Finnish military officers favour NATO entry – paper”, Reuters, April 26, 2014, <http://in.reuters.com/article/2014/04/26/uk-finland-nato-poll-idINKBN0DC09M20140426>.

responsibility to contribute more to NATO's missions and operations, and a deepening of Swedish and Finnish regional defense cooperation within NORDFECO.

Looking Ahead to Cardiff: Goals of the NATO Summit

The panelists also discussed how Russia's actions in Ukraine and Crimea have affected how collective security and defense are perceived and ultimately conducted in Europe. In spite of the strong rhetoric against Russia's actions in Crimea and Eastern Ukraine, it does not seem that Europe has woken up from its strategic slumber. Ukraine is a hybrid or asymmetrical conflict as conventional forces are used to shield, by threatening intervention, the operations of unconventional forces. It is vital for the U.S., Europe, and NATO, it was argued, to improve their ability to respond to this type of intervention. Efforts should include planning for the use of special forces and for close integration of civilian and military efforts.

While Russia has broken international treaties and norms and destroyed trust within Europe, panelists argued that European security must be more broadly defined than simply NATO's most eastern borders. For instance, Turkey, Italy, and Spain emphasize maintaining a broad approach to European security as instability in North Africa and the Middle East also impacts European security. The September NATO Summit in Wales should ensure a geographically broad approach to collective defense, although Alliance solidarity and unity towards Eastern Europe will be critical, particularly as it relates to the discussion of NATO's future presence in the east. In response to Russia's actions, the Alliance has taken immediate and appropriate steps by mobilizing AWACS over Poland and Romania, enhancing Baltic air policing and maritime sovereignty patrols, and substantially increasing regional exercises and training. NATO has quickly had to return to its founding core mission but it has yet to grasp what the crisis in Ukraine means for the long-term. As one participant stated: it is important to separate reassurance measures from strategic thinking. The preparation of a Readiness Action Plan, and work on a more capable and committed NATO Response Force are the first steps to begin to formulate NATO's long-term response to the crisis. NATO needs to reassess its capabilities and develop a response force that, a participant argued, can actually respond in a matter of hours, not days or weeks. Finally, while NATO strengthens its deterrence, the Alliance must also maintain some ability to communicate with Russian political and military authorities during this period of heightened tension.

The Framework Nations Concept (FNC) was also discussed. While originally a German initiative, FNC has developed into a NATO concept. Its success is not Germany's, but rather NATO's responsibility, it was argued. The primary aim of the FNC is to systematically address Europe's capability gaps through regional cooperation and with a basis in the NATO Defense Planning Process. Yet, other forms of cooperation are also included, as for example in the Multi-National Corps Northeast (MNC-NE) headquarters in Szczecin, Poland. In June, the Danish, Polish, and German defense ministers met and agreed on the goal of enhancing military readiness under the Framework Nations Concept. The idea is to use MNC-NE as a hub for cooperation in Northeastern Europe, including the development of flexible exercise and training programs without permanent stationed troops.

What the European Reassurance Initiative Means for European Security

In light of the escalating conflict between Russia and Ukraine, the U.S. government is working to augment the United States' military presence in Europe, as well as to enhance existing exercise and deployment plans (e.g. air policing over the Baltic states; increased maritime presence in the Black Sea; joint land forces training with Polish and Baltic forces). On June 3, President Obama announced the European Reassurance Initiative, a \$1 billion fund to increase joint U.S.-European training and exercises; deploy U.S. planners to augment allied capabilities; increase the responsiveness of U.S. forces to reinforce NATO; enhance the U.S. naval presence, particularly in the Baltic and Black Seas; and to build the partner capacity of Georgia, Moldova, and Ukraine. A participant stressed that the initiative should have a lasting legacy and not be merely a once-off, short-term measure.

The U.S. has also called on a number of NATO allies to contribute more to strategically reassure NATO's Central European allies both materially and financially; however, some European states have been generally reluctant due to fear that an enhanced NATO response could provoke additional Russian aggression. The U.S. seeks a united transatlantic response to Russia's actions in Ukraine – from sanctions to an effective military response – rather than a U.S.-only response. It was emphasized that these efforts are not intended as a provocation or threat, as all current operations in Europe are of a defensive nature and are within NATO's purview. The Reassurance Initiative is about increasing funding to support NATO's and neighboring countries' responsiveness, readiness, and capabilities in order to deter further destabilizing actions by Russia.

The question was raised of whether the Reassurance Initiative indicates that the U.S. is reconsidering its re-balancing policy towards Asia. It was argued that the U.S. remains vested in pursuing its strategic interests in Asia, but recent events in Ukraine have compelled the U.S. to reassess its force posture in Europe and to consider how the U.S. and Europe can enhance the responsiveness of NATO's forces. There is a consensus among the Allies that NATO is a vital instrument for international and regional security. However, this cannot be achieved “on the cheap” and therefore Europe must seriously consider reversing two decades of declining defense spending and re-orient its crisis management engagement of the last twelve years in Afghanistan towards collective defense. Today, the U.S. accounts for approximately two-thirds of NATO's spending, a fact that the U.S. Congress is becoming less willing to support. Europe must understand that the price of its security is much lower than the consequences of its future insecurity.

Future Trend Lines in Northern European Defense Cooperation

Methods to Improve Defense Cooperation

During the second panel discussion it was argued that NATO should strive to strengthen regional stability in Northern Europe, which sends a message of strength, and resolve to Russia. The crisis in Ukraine has, it was argued, certainly revealed many of NATO's weaknesses, including its ability to mobilize a rapid reaction force. Russia rapidly mobilized 100,000 troops in the Western Military District and yet there was no robust response from NATO. Moreover, the Russian economy is only 1/6 the size of the EU's economy yet Russia has increased defense spending by 50% over the last five years. In stark contrast, NATO countries have decreased defense spending by 20%. In 2013, only the U.S., Britain, Greece, and Estonia met the NATO target of spending the equivalent of 2% of economic output on defense.

Countries in the region must, a panelist argued, increase defense investment and spending with a strong focus on interoperability. NATO and its partners must be flexible and creative in order to deepen its defense cooperation. NATO must revitalize and reform itself, as well as strengthen and modernize its conventional deterrence. Regionally, the ultimate goal must be to prevent future crises by creating a robust security environment that deters future aggression by an adversary.

NORDEFECO is the best example of security and defense cooperation in the Nordic-Baltic region. The organization is also a good example of what can be done in terms of defense cooperation between EU and NATO countries. Since 2007, the motivation in NORDEFECO has been ‘more bang for the buck.’ Since 2009, some policy experts have encouraged the inclusion of the Baltic States into NORDEFECO. The NORDEFECO members have, however, only done so reluctantly in some areas.

The Nordic-Baltic Region's Approach to Collective Security

Three national perspectives on NATO, the Ukraine crisis, and defense cooperation were offered in panel two: an Estonian, Finnish, and Norwegian.

Estonia is one of the few NATO members that commits 2% of their GDP to defense spending, which is partly a result of their threat assessment. Since 1991, Estonia's fundamental security policy has been integration – through NATO, the European Union, the OSCE, etc. – to secure economic and security benefits. After the collapse of the Soviet Union, all three Baltic States had to build their defense capabilities from scratch and thus Baltic cooperation grew out of necessity. Due to resource constraints, they developed smart defense through the establishment of organizations such as the Baltic Defense College and the Baltic battalion. In addition, the Baltic States came to three realizations: (1) they are very small players in the international system – together they only equal the size of Sweden; (2) they share values and similar security concerns; and (3) as a result of these qualities, the Baltic States had to cooperate not only in a Baltic, but also a Nordic-Baltic framework. They therefore seek to expand cooperation in the Nordic-Baltic 8 (NB8), to facilitate joint exercises and training, as well as information sharing. The Baltic States have demonstrated their willingness to contribute to NATO's capabilities, and in light of Russia's actions in the region, it is important that NATO strategically reassure these members while also sending a message of deterrence to Russia that any acts of aggression against NATO will not be tolerated. As one panelist put it, NATO support could be as simple as “getting a NATO flag on a toilet paper storage facility.” But NATO must tangibly demonstrate its resolve and solidarity in the region.

While not a member of NATO, Finland has played an important role through NORDEFECO, as well as its partnership with NATO. The misallocation of defense spending has been a key barrier to fully developing NATO's capabilities. Finland, however, could serve as an example of smart spending since Finland recently spent \$1.3 billion on new equipment, rather than personnel. However, even Finland has admitted that NATO and Europe need the ability to better monitor Russian military modernization and mobilization. There is an assumption in Sweden that both Finland and Sweden are strategic partners and thus would receive NATO support regardless of their membership status (similar to the Cold War). However, this is not the case. Finland and Sweden's engagement with NATO in out-of-area operations is not equivalent to contributing to collective defense and therefore they should think seriously about their future security environment. At the same time, there is more to NATO than Article 5 and joint operations (i.e. ISAF, Libya, Kosovo, etc.); NATO is a ‘community’ and its members and partners work together in other ways.

While Norwegian politicians have strongly criticized Russia's behavior in the Ukraine crisis, there has not been any dramatic shift in Norwegian policy towards either Russia or NATO. Although the crisis has increased tensions, in Norwegian eyes, it merely confirms the Norwegian desire to have a NATO that is more attentive to its immediate neighborhood. Since 2008, Norway has advocated drawing NATO's attention back to challenges close to home, including those emanating from Russia in the north of Europe, under its “Core Area Initiative.” At the same time, Norway has maintained a pragmatic approach toward Russia and has sought to maintain relations both bi- and multilaterally. In spite of the current tensions, there are certain areas where cooperation with Russia is not only necessary, but also advantageous, such as on search and rescue (SAR), fisheries management, and environmental policies in the Arctic. In terms of defense cooperation, Norway has actively promoted Nordic cooperation, yet with some hesitancy due to the lack of an Article 5-type treaty obligation covering all members. From a security policy perspective, cooperation with NATO allies, notably big allies such as the UK and Germany, is more attractive. In addition to NORDEFECO, Norway has therefore helped develop regional defense cooperation through its North Sea Strategy and the Northern Group, which also includes Germany, the UK, and Poland.