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The Need for a New NATO Force Planning Exercise

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July 14, 2022

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Photo: ARMEND NIMANI/AFP/Getty Images

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NATO countries have already provided massive amounts of military aid to Ukraine, deployed additional forces to support the NATO countries that share a border with Russia, improved the Alliance's ability to rapidly deploy forces forward in a crisis, and worked with key powers like Poland to strengthen its capabilities. NATO has accepted Finland and Sweden as future members of the Alliance, and it has made numerous other short-term adjustments to its force posture that enhance its deterrence and defense capabilities.

NATO faces a future, however, where it cannot predict how much territory Ukraine will lose and where it must now view Russia as an ongoing major threat at virtually every level from the limited conventional threats Russia poses to the NATO countries on its border to the major increases in its threat of strategic nuclear forces. NATO cannot continue to treat Russia as a potential partner, and that seems to be an unlikely path forward so long as Putin or anyone like him is in power. NATO also cannot ignore the rise in China's military and economic power or the prospects of closer Russian and Chinese strategic cooperation.

The challenge NATO faces goes far beyond Ukraine. The days in which NATO countries could keep taking peace dividends by cutting their forces, failing to modernize, and failing to adopt new forces of tactics and interoperability are over. NATO cannot deal with the Russian threat in terms of half-measures or by continuing to focus on empty and virtually meaningless force goals like spending 2% of national GDP on defense and 20% of defense expenditure on equipment.

NATO needs to act now to look far beyond the short-term priorities of the Ukraine conflict. It needs to revitalize its entire force planning progress. It needs to create effective levels of deterrence and defense capability, while it modernizes its forces to deal with radically new requirements like joint all-domain operations (JADO), emerging and disruptive technologies (EDTs), new precision-strike capabilities, changes in air and missile warfare and defense, and the revival of Russian naval power and the growth of a Chinese blue-water navy.

It needs to examine its defense industrial base and efforts to develop emerging and disruptive technologies in ways that produce fully interoperable improvements in its forces and allow it to work with strategic partners in other regions. Put simply, it needs to look at reshaping the Alliance to deal with a dangerous and rapidly evolving future and to start planning to meet the Russian, Chinese, and other military threats it will face at least a decade in the future.

Setting Strategic Goals Is Meaningless without Major Force Improvements

NATO fully recognizes these needs at a conceptual level. It has already made significant progress in revitalizing key aspects of its goals for improving its defense plans and strategy. It has broken out of its useless efforts to focus on fixed defense spending levels as a percent of GDP and equipment as a percent of total spending. It has published a *NATO 2022 Strategic Concept* that sets realistic alliance-wide priorities for improving deterrence, defense, and crisis management and prevention.¹ This new *Strategic Concept* addresses NATO's needs in global terms, and not in terms of some separate sets of U.S. and European interests.

The *Strategic Concept* establishes broad alliance-wide priorities which focus on Russia while continuing to address terrorism. It looks beyond the Atlantic to address the threat posed by instability in the developing world; it explicitly recognizes that the People's Republic of China's

“stated ambitions and coercive policies challenge our interest, security, and values;” and it recognizes that NATO must work with partners in the Indo-Pacific region as well as the Middle East and North Africa.

The new *Strategic Concept* also calls for new priorities in shaping NATO’s force rather than blindly calling for spending 2% of GDP on defense, which gives no consideration to how that funding is spent or what a given nation needs (probably one of the stupidest exercises in defense planning in modern military history). Key members like Germany – countries which have long let their forces decline into near ineffectiveness – have made it clear that they will make a major effort to correct the steady decline in their force size, readiness, and modernization efforts.

The concept looks beyond the decades in which most member countries have slowly cut their force levels and rates of modernization. It instead moves toward a new force interoperability that takes advantage of new technologies and artificial intelligence. It focuses on addressing space and cyberspace; embracing intellectual property and technical innovation; dealing with emerging and disruptive technologies; revitalizing arms control; and facing new nuclear, biological, chemical, and radiological threats, as well as the security impact of climate change. It also addresses key problems like NATO’s steady losses in readiness, forward deployment, and deployability. It highlights the need to maintain nuclear deterrence on an alliance basis, partner with the EU, and strengthen the forces of its newer members and its relations with partner states outside NATO.

At the same time, the new *Strategic Concept* does not address the need to deal with decades of force cuts and the radically different levels of national military force levels and structures, military technology, and defense spending in a thirty – soon to be thirty-two – nation alliance. It conspicuously avoids dealing with the fact that each NATO country has radically different individual levels of modernization, strength, and readiness as well as massive differences in interoperability, current force improvement activities, and efforts to create alliance-wide capabilities. Its eleven pages set the right rhetorical goals, but they do so without providing any meaningful specifics.

The new *Strategic Concept* did not call for any specific types of force improvement to be applied to either the alliance as a whole or to individual member states. It did not set goals for the incredibly different levels of military readiness and modernization in individual NATO countries. It tacitly left NATO’s mindless burdensharing exercises intact, and it provided even fewer specifics about the key trends in the Russian threat and the need for specific force improvements than the *NATO 2030* concept papers that the Secretary General issued at the June 2021 NATO Ministerial meeting – before Russia invaded Ukraine. Although it did not repeat that document’s exaggerated claims that NATO was making major increases in spending, NATO did issue new defense spending reports that made claims to progress that bordered on functional absurdity.²

How Much More Will Be Enough When What You Have Is Far Too Little?

If NATO is to succeed, it needs to recognize the need to create a force planning progress that address the separate needs and capabilities of each country, that honestly addresses their strengths and weaknesses, and that can win public support by providing key facts about the threat and the limits of today’s forces and force improvement plans.

NATO also needs to recognize that it is far from clear that the present momentum for revitalizing the Alliance created by the Ukraine conflict will be sustained over time. The urgency of the present fight has so far led many countries to make new efforts, but most of the countries in the Alliance

already face major economic challenges from Covid-19, the cost of sanctions on Russia, and what seems to be a serious cut in global economic growth and broad rise in inflation. Talk is cheap and so are strategic concepts that lack substantive force plans and force improvements. Even the first rounds of support for Ukraine, however, have placed a major strain on donor country reserves of weapons, munitions, supplies, and cash assistance.

Burdensharing Bullshit: A NATO Liar's Contest

For all of the burdensharing bullshit that preceded the Russian invasion of Ukraine, the data supporting NATO's favorable reporting show all too clearly how ineffective these burdensharing exercises were before Russia invaded Ukraine on February 24, 2022. This is clear even if one ignores the fact that setting such a goal has nothing to do with setting specific force improvement goals for countries with radically different levels of capability, force improvement needs, and roles in creating an effective overall structure of NATO forces and capabilities.

NATO's most recent report on military spending is dated June 27, 2022, and its summary trend analyses are little more than a series of entries in a liar's contest.³ As the first graph in **Figure One** shows, the lead graph in the report implies that the burdensharing effort made major progress and that NATO Europe and Canada made major increases in their total military spending after 2014, going from cuts of 0.9% to 2.7% in 2012-2014 to increases of 1.7% to 4.9% in 2015-2021 – although the pre-Russian invasion estimate from 2022 was an increase of only 1.2%.

The functional problem with these data is that they say nothing at all about how effective the claimed increase in spending were in meeting NATO's needs, correcting the past problems in given countries, and addressing future needs. The statistical problem in the data on total NATO trends is that the favorable patterns in increased spending by country were far more erratic, and summing up the data says nothing about the level of improvement – or decline – in NATO's military capabilities and strategic posture.

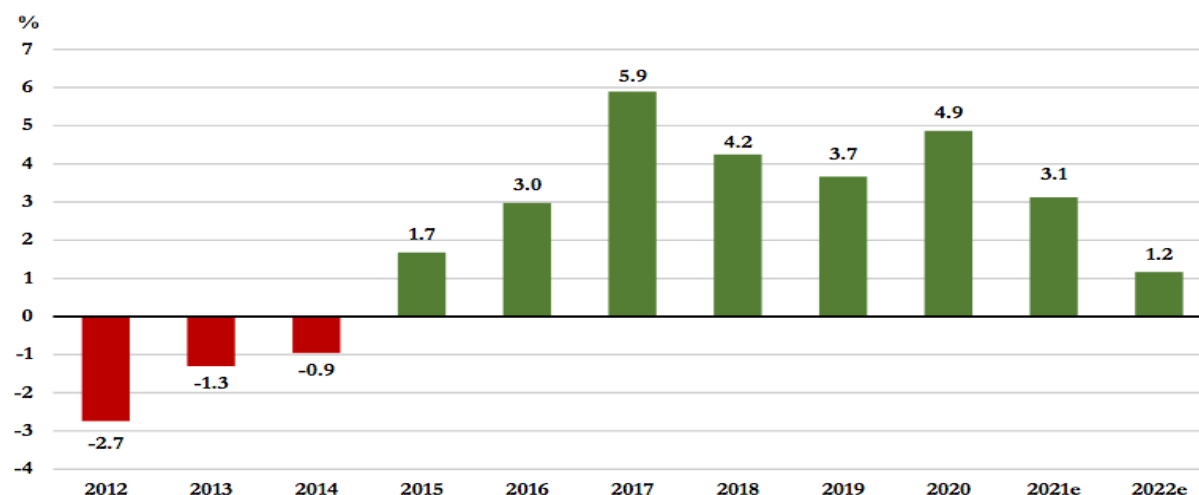
Any examination of the country-by-country force trends reported in the IISS *Military Balance* reports from 2014-2022 show that most countries failed to maintain any consistent level of improvement in overall readiness, modernization, and strength – much less did they make any coherent movement toward increased interoperability, readiness, force strength, or modernization. This is all too apparent from the country-by-country spending in the data shown in the table in the second half of **Figure One**, which is taken from the same report.

If one looks at the countries that failed to consistently reach 2% of GDP from 2015 to 2021 (the 2022 estimate should be ignored), they include Albania, Belgium, Bulgaria, Canada, Croatia, Czech Republic, Denmark, France, Germany, Hungary, Italy, Luxembourg, Montenegro, Netherlands, North Macedonia, Norway, Portugal, Romania, Slovakia, Slovenia, Spain, and Turkey.

The country-by-country burdensharing data in **Figure One** show that 22 countries out of 30 consistently spent well under 2% of real GDP out of a total of 29 countries in Europe and Canada. It also includes many countries on Russia's border or whose ability to rapidly deploy and sustain interoperable forces forward in a crisis is critical to both deterrence and defense.

Figure One: NATO European Increases in Real Defense Spending as a Percent of GDP by Country Show How Meaningless Such Data Are for Setting Improvement Priorities

NATO Europe and Canada - defence expenditure (annual real change, based on 2015 prices and exchange rates)



Notes: Figures for 2021 and 2022 are estimates. The NATO Europe and Canada aggregate from 2017 onwards includes Montenegro, which became an Ally on 5 June 2017, and from 2020 onwards includes North Macedonia, which became an Ally on 27 March 2020.

Defence expenditure as a share of GDP (2015 Prices)

	2014	2015	2016	2017	2018	2019	2020	2021e	2022e
share of real GDP (%)									
Albania	1.35	1.16	1.10	1.11	1.16	1.28	1.30	1.22	1.62
Belgium	0.97	0.91	0.89	0.88	0.89	0.89	1.02	1.04	1.18
Bulgaria	1.31	1.25	1.24	1.22	1.45	3.13	1.60	1.59	1.67
Canada	1.01	1.20	1.16	1.44	1.30	1.30	1.42	1.32	1.27
Croatia	1.82	1.76	1.60	1.64	1.55	1.61	1.71	2.01	2.03
Czech Republic	0.94	1.02	0.95	1.03	1.10	1.18	1.30	1.39	1.33
Denmark	1.15	1.11	1.15	1.14	1.28	1.29	1.37	1.33	1.39
Estonia	1.93	2.03	2.07	2.01	2.02	2.05	2.35	2.07	2.34
France	1.82	1.78	1.79	1.78	1.81	1.81	2.00	1.91	1.90
Germany	1.19	1.19	1.20	1.23	1.25	1.35	1.53	1.49	1.44
Greece	2.22	2.31	2.40	2.38	2.54	2.45	2.91	3.70	3.76
Hungary	0.86	0.90	1.00	1.19	1.01	1.34	1.77	1.68	1.55
Italy	1.14	1.07	1.18	1.20	1.23	1.17	1.59	1.58	1.54
Latvia*	0.94	1.03	1.44	1.59	2.06	2.02	2.21	2.11	2.10
Lithuania*	0.88	1.14	1.48	1.71	1.97	2.00	2.08	2.00	2.36
Luxembourg	0.37	0.42	0.38	0.50	0.50	0.54	0.58	0.47	0.58
Montenegro	1.50	1.40	1.42	1.34	1.37	1.33	1.73	1.57	1.75
Netherlands	1.15	1.13	1.16	1.15	1.22	1.32	1.41	1.38	1.65
North Macedonia	1.09	1.05	0.97	0.89	0.94	1.16	1.27	1.47	1.78
Norway	1.55	1.59	1.74	1.72	1.73	1.86	2.00	1.75	1.55
Poland*	1.86	2.22	1.99	1.89	2.02	1.98	2.23	2.22	2.42
Portugal	1.31	1.33	1.27	1.24	1.34	1.37	1.43	1.56	1.44
Romania*	1.35	1.45	1.41	1.72	1.81	1.84	2.02	1.86	1.99
Slovak Republic	0.99	1.11	1.12	1.11	1.23	1.71	1.95	1.73	2.00
Slovenia	0.97	0.93	1.00	0.98	1.01	1.06	1.06	1.24	1.22
Spain	0.92	0.93	0.81	0.91	0.93	0.91	1.00	1.04	1.01
Türkiye	1.45	1.38	1.45	1.51	1.82	1.85	1.86	1.62	1.22
United Kingdom	2.13	2.01	2.06	2.06	2.08	2.06	2.30	2.26	2.12
United States	3.72	3.52	3.52	3.31	3.29	3.51	3.66	3.51	3.47
NATO Europe and Canada	1.43	1.42	1.44	1.48	1.51	1.54	1.72	1.68	1.64

Source: *Defence Expenditure of NATO Countries (2014-2022)*, COMMUNIQUE, PR/CP(2022)105, Graph 1 and Table 3, June 27, 2022, https://www.nato.int/nato_static_fl2014/assets/pdf/2022/6/pdf/220627-def-exp-2022-en.pdf.

It's Force Capability, Not Equipment Spending, that Counts

The NATO data not only show that there is no meaningful correlation between spending 2% of GDP and creating effective military forces, they also show there is even less correlation between spending 20% of the total on equipment. Even if one totally ignore the fact that spending 20% on equipment may or may not produce effective and interoperable rates of equipment strength and modernization that meet NATO's strategic priorities and needs, a quick look at **Figure Two** – which shows both NATO's summary claims of progress and the country-by-country data in the NATO spending report from 2020 – make it clear that different member countries account for spending in radically different ways, and one country's percentages for equipment spending cannot be comparable in definition and impact on force capability with any other's.

It is mildly amusing that **Figure Two** shows that the country that NATO reports as having consistently spent the highest percentage on equipment was Luxembourg, which has no meaningful military forces. In other more meaningful cases, a country like Belgium reported that spending on equipment increase from 3.52% in 2014 to 19.14 % in 2021. This would have been impressive if Belgium had not spent only 1.04% of its GDP on defense – rather than 2% – and cut its total active manning from 30,500 in 2014 to 22,700 in 2021.

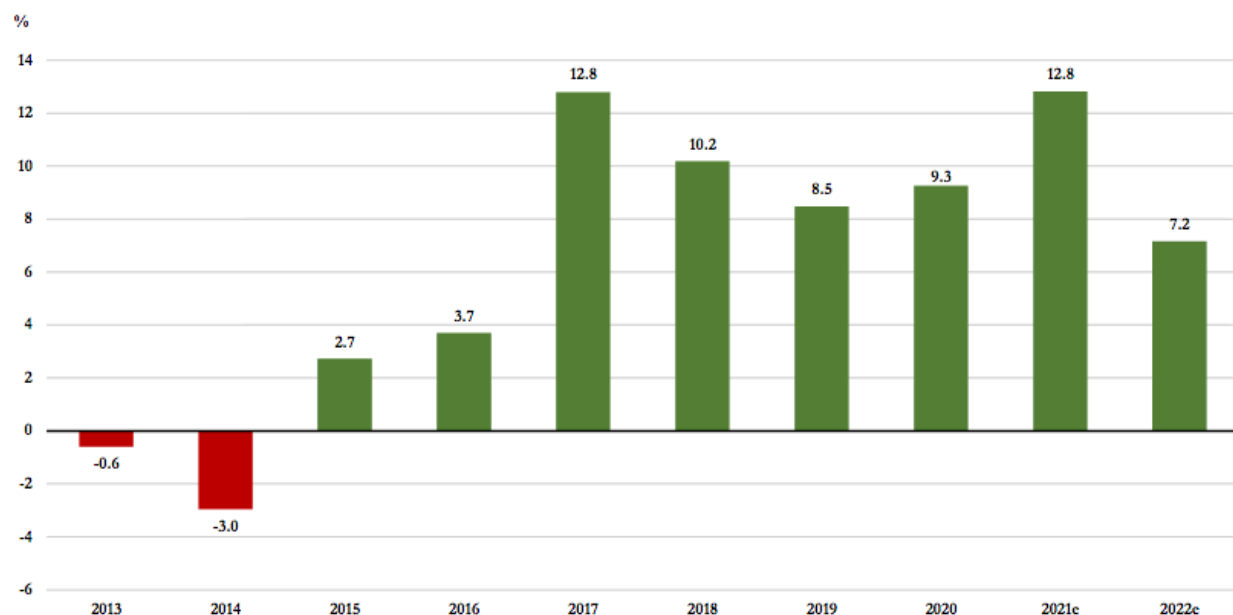
The data on percentages of total percentages of equipment spending become even more meaningless the moment one examines the radically different ways that given countries report on “equipment” versus the other categories NATO reports. These data categories include “Personnel,” “Infrastructure,” and “Other” – in addition to percentages on equipment – and are shown in **Figure Three**.

To give just one example, it is striking that eight countries reported that they spent over 30% of their total defense budget on “Other” in 2022. These countries included Britain, which set the record by spending 40.59% of its total budget on “Other,” although the U.S. spent 30.98% and Germany spent 37.09%. Taken literally, “Other” might seem to be the most important single aspect of NATO defense spending.

Given these differences, making comparisons of the equipment percentage figures alone is clearly an exercise in statistical gibberish. Put more bluntly, using comparative national percentages of defense equipment spending as a measure of comparative merit is statistical nonsense. Put more simply, it is just plain stupid!

Figure Two: Setting Percentage Goals for Equipment Spending Does Nothing to Create Real and Comparable Force Improvement Priorities

Europe and Canada - major equipment expenditure (annual real change, based on 2015 prices and exchange rates)



	2014	2015	2016	2017	2018	2019	2020	2021e	2022e
Equipment (a)									
Albania	16.65	8.92	8.01	6.96	9.42	14.61	15.00	15.12	19.96
Belgium	3.52	3.44	4.72	6.52	10.15	11.06	13.88	19.47	19.30
Bulgaria	1.03	3.47	9.15	8.10	9.65	59.74	8.44	11.05	22.63
Canada	13.03	10.47	10.61	10.70	11.94	13.84	14.67	13.66	18.69
Croatia	5.56	8.01	7.51	5.69	3.37	6.55	9.06	30.01	30.49
Czech Republic	6.53	11.75	6.70	11.55	11.16	16.44	17.31	20.47	19.16
Denmark	10.99	11.50	13.68	10.39	11.66	16.21	17.65	17.19	29.90
Estonia	22.15	12.82	17.86	19.22	16.51	15.50	23.00	23.18	21.57
France	24.64	25.04	24.44	24.17	23.66	24.53	26.62	27.80	28.55
Germany	12.94	11.93	12.21	11.77	12.36	14.69	17.45	18.60	20.89
Greece	8.17	10.40	13.45	11.28	11.03	11.55	10.70	37.24	45.33
Hungary	7.76	9.75	13.37	18.54	12.63	36.46	45.57	37.16	48.02
Italy	10.92	9.72	19.09	20.68	19.13	17.00	18.56	23.22	22.69
Latvia	7.55	13.60	19.05	15.01	31.85	21.65	20.53	22.07	24.58
Lithuania	14.06	21.55	30.06	31.61	36.98	37.57	33.71	22.32	30.54
Luxembourg	22.61	33.33	30.07	42.06	45.18	52.27	52.00	46.95	52.37
Montenegro	7.46	5.43	4.46	4.97	11.14	14.96	20.96	20.54	25.04
Netherlands	10.68	11.16	14.14	14.75	16.39	20.34	22.13	23.82	23.74
North Macedonia	5.92	11.13	8.37	6.47	11.09	13.82	11.53	21.77	31.06
Norway	20.42	21.83	23.37	24.63	25.60	28.76	28.41	29.19	31.62
Poland	18.84	33.20	21.62	22.04	27.51	23.36	29.31	33.89	20.43
Portugal	8.43	8.70	9.95	11.42	15.48	16.61	17.36	16.83	17.93
Romania	15.77	19.65	20.43	33.34	33.47	25.59	23.12	21.57	25.96
Slovak Republic	11.12	18.28	15.32	17.74	22.27	40.07	31.84	27.44	26.31
Slovenia	0.66	1.85	1.02	4.04	5.98	7.11	5.69	14.56	17.93
Spain	13.49	14.82	6.65	20.39	21.83	21.02	19.43	22.47	26.20
Türkiye	25.08	25.13	25.55	30.30	37.64	34.32	30.73	29.31	30.79
United Kingdom	22.82	21.75	21.24	22.29	22.25	22.85	23.83	26.13	28.06

Notes: Figures for 2021 and 2022 are estimates. Equipment expenditure includes major equipment expenditure and R&D devoted to major equipment.

Source: *Defence Expenditure of NATO Countries (2014-2022)*, COMMUNIQUE, PR/CP(2022)105, Graph 8 and Table 8a, June 27, 2022, https://www.nato.int/nato_static_fl2014/assets/pdf/2022/6/pdf/220627-def-exp-2022-en.pdf.

Figure Three: There Is No Comparability in the Ways Countries Report on Defense Spending by Category (Spending as % of Total by Category) – Part One

	Percentage of total defence expenditure								
	2014	2015	2016	2017	2018	2019	2020	2021e	2022e
Personnel (b)									
Albania	68.05	78.15	68.05	68.20	70.70	62.89	64.41	63.57	46.62
Belgium	77.84	78.23	76.80	75.20	70.69	68.38	63.58	56.79	49.50
Bulgaria	72.84	73.66	65.64	68.33	62.99	29.42	63.79	65.59	56.77
Canada	50.90	53.76	53.11	57.37	51.02	49.54	49.23	49.04	45.33
Croatia	76.55	72.28	75.40	71.72	76.96	73.71	76.15	56.71	54.57
Czech Republic	61.40	55.25	61.95	56.11	54.57	51.82	49.72	44.70	44.22
Denmark	51.27	52.01	49.51	47.01	49.88	48.25	46.07	48.31	43.06
Estonia	38.62	39.56	38.70	34.89	33.83	34.18	32.67	32.86	33.86
France	48.59	47.79	47.94	47.98	46.90	45.59	44.01	42.89	41.65
Germany	50.67	49.86	48.35	48.96	47.99	45.26	42.22	41.81	40.57
Greece	77.18	72.05	73.13	76.56	78.76	77.08	74.58	53.78	43.68
Hungary	49.77	48.21	49.66	37.13	42.33	35.37	27.18	29.43	30.39
Italy	76.41	77.55	70.79	67.58	68.16	70.21	67.52	63.70	62.40
Latvia	52.97	50.06	43.87	38.59	34.32	33.53	37.15	37.24	35.51
Lithuania	57.53	48.49	45.50	40.79	37.47	40.02	41.33	42.58	37.30
Luxembourg	49.31	42.77	45.56	34.40	33.42	30.76	30.13	34.58	24.11
Montenegro	78.53	78.03	75.32	80.87	73.50	71.39	64.66	59.90	52.98
Netherlands	56.50	55.51	51.77	52.19	51.16	49.27	48.49	47.91	38.84
North Macedonia	72.49	70.95	71.26	75.25	71.53	61.93	63.33	51.03	40.42
Norway	40.64	39.96	38.60	37.08	36.43	34.78	34.51	34.15	32.97
Poland	51.45	41.96	47.15	50.04	46.14	46.91	44.71	43.55	46.30
Portugal	81.27	81.90	81.38	80.19	74.75	70.51	71.15	63.09	63.06
Romania	71.15	63.30	65.01	54.67	54.48	57.90	59.20	57.80	51.91
Slovak Republic	69.14	56.24	58.72	58.21	54.74	40.81	42.34	49.27	44.87
Slovenia	82.31	82.23	76.03	75.04	72.38	69.07	72.75	61.99	54.36
Spain	67.34	65.18	72.61	61.64	59.64	61.86	62.54	58.70	57.18
Türkiye	56.88	56.82	57.60	51.02	45.18	48.38	50.64	47.88	48.45
United Kingdom	36.59	36.80	35.27	34.54	33.75	34.07	33.80	31.80	30.96
United States	35.45	36.64	45.01	41.53	39.74	38.72	38.47	39.00	38.84
Infrastructure (c)									
Albania	0.86	1.40	1.37	0.92	1.09	1.64	1.39	3.61	11.42
Belgium	1.81	0.93	0.96	1.05	1.43	1.19	1.00	0.82	2.67
Bulgaria	0.63	1.27	0.63	0.83	2.62	1.09	7.71	4.93	4.75
Canada	3.81	3.63	3.03	2.98	3.58	2.72	3.07	3.14	3.52
Croatia	1.24	1.98	1.26	3.59	1.00	1.41	1.53	0.55	3.16
Czech Republic	2.34	3.32	3.91	3.99	5.31	5.27	7.41	6.24	9.93
Denmark	0.97	1.09	2.16	1.95	1.49	1.85	1.84	4.08	4.67
Estonia	8.20	8.45	12.15	11.27	8.52	6.13	6.65	5.55	9.16
France	2.33	2.80	2.70	2.88	3.51	3.13	2.88	3.03	3.03
Germany	3.75	3.60	3.39	4.06	4.15	3.99	3.78	2.50	2.38
Greece	1.10	0.65	0.58	0.79	0.62	0.20	0.18	0.26	0.05
Hungary	1.07	1.21	1.13	1.31	1.68	2.64	1.41	3.59	2.95
Italy	1.40	1.30	0.70	0.94	1.29	0.67	0.97	1.53	2.21
Latvia	8.89	6.64	12.83	15.02	6.45	10.30	11.85	5.28	8.68
Lithuania	2.17	2.16	3.59	3.92	2.24	2.40	1.25	2.47	4.98
Luxembourg	10.26	7.79	6.64	4.64	5.05	3.16	3.42	7.28	11.22
Montenegro	0.96	2.47	2.41	0.88	1.86	1.48	1.33	5.26	7.18
Netherlands	4.77	3.19	3.90	3.02	3.46	3.26	3.14	2.98	3.35
North Macedonia	1.24	1.67	1.28	1.01	0.95	3.89	2.78	3.09	2.92
Norway	5.71	5.30	6.56	6.93	6.67	5.87	6.55	6.45	5.99
Poland	5.47	4.74	4.62	4.21	3.45	4.78	4.31	3.71	4.98
Portugal	0.11	0.25	0.06	0.03	0.05	0.11	0.08	0.11	0.06
Romania	1.09	1.27	2.77	2.09	1.54	3.53	4.29	7.06	7.75
Slovak Republic	0.57	1.99	3.75	2.97	2.00	1.17	5.21	2.32	2.10
Slovenia	0.65	0.61	1.14	0.45	1.40	0.57	1.10	1.31	3.59
Spain	0.66	0.97	0.97	0.68	0.64	0.98	1.07	1.08	0.76
Türkiye	2.77	2.56	2.42	2.95	2.53	2.26	2.22	7.49	6.91
United Kingdom	1.95	1.63	1.87	2.25	2.99	2.11	1.72	1.49	2.05
United States	1.71	1.45	1.22	1.23	1.17	1.38	1.33	1.21	1.52

Figure Three: There Is No Comparability in the Ways Countries Report on Defense Spending by Category (Spending as % of Total by Category) – Part Two

	Percentage of total defence expenditure								
	2014	2015	2016	2017	2018	2019	2020	2021e	2022e
Other (d)									
Albania	14.44	11.53	22.57	23.92	18.79	20.86	19.20	17.70	22.00
Belgium	16.83	17.40	17.52	17.23	17.72	19.36	21.54	22.92	28.52
Bulgaria	25.51	21.60	24.57	22.74	24.74	9.74	20.05	18.43	15.85
Canada	32.26	32.14	33.25	28.95	33.46	33.90	33.04	34.16	32.46
Croatia	16.65	17.73	15.83	18.99	18.67	18.33	13.27	12.73	11.78
Czech Republic	29.73	29.67	27.45	28.35	28.95	26.47	25.56	28.58	26.68
Denmark	36.78	35.40	34.65	40.66	36.97	33.69	34.44	30.42	22.37
Estonia	31.03	39.18	31.30	34.62	41.14	44.20	37.68	38.40	35.40
France	24.43	24.37	24.92	24.97	25.92	26.74	26.49	26.28	26.76
Germany	32.63	34.61	36.05	35.20	35.49	36.06	36.55	37.09	36.16
Greece	13.55	16.90	12.84	11.37	9.60	11.17	14.55	8.72	10.93
Hungary	41.40	40.83	35.84	43.01	43.36	25.53	25.84	29.82	18.63
Italy	11.27	11.42	9.42	10.80	11.43	12.11	12.95	11.55	12.70
Latvia	30.59	29.69	24.25	31.38	27.38	34.51	30.46	35.42	31.23
Lithuania	26.24	27.79	20.85	23.67	23.30	20.01	23.71	32.63	27.18
Luxembourg	17.82	16.11	17.73	18.90	16.35	13.81	14.45	11.20	12.30
Montenegro	13.06	14.07	17.80	13.27	13.50	12.16	13.06	14.30	14.81
Netherlands	28.05	30.14	30.20	30.04	28.99	27.13	26.24	25.29	34.07
North Macedonia	20.34	16.25	19.09	17.26	16.43	20.36	22.37	24.10	25.60
Norway	33.24	32.90	31.46	31.36	31.30	30.59	30.53	30.21	29.42
Poland	24.24	20.11	26.61	23.71	22.89	24.95	21.67	18.85	28.29
Portugal	10.19	9.15	8.61	8.35	9.72	12.77	11.41	19.97	18.95
Romania	11.98	15.78	11.79	9.90	10.51	12.99	13.38	13.57	14.38
Slovak Republic	19.16	23.49	22.22	21.08	20.99	17.95	20.60	20.98	26.72
Slovenia	16.38	15.31	21.80	20.47	20.24	23.25	20.46	22.14	24.12
Spain	18.50	19.03	19.78	17.28	17.89	16.14	16.96	17.76	15.86
Türkiye	15.27	15.49	14.43	15.73	14.65	15.04	16.41	15.32	13.85
United Kingdom	38.63	39.82	41.62	40.92	41.01	40.97	40.65	40.59	38.93
United States	36.87	36.51	28.73	31.52	32.03	30.84	30.51	30.89	32.41

Notes: Figures for 2021 and 2022 are estimates.

(c) Infrastructure expenditure includes NATO common infrastructure and national military construction.

(d) Other expenditure includes operations and maintenance expenditure, other R&D expenditure and expenditure not allocated among above-mentioned categories.

Source: *Defence Expenditure of NATO Countries (2014-2022)*, COMMUNIQUE, PR/CP(2022)105, Table 8a, b, and c, June 27, 2022, https://www.nato.int/nato_static_fl2014/assets/pdf/2022/6/pdf/220627-def-exp-2022-en.pdf.

Focusing on Country-by-Country Force Improvements

If NATO is to properly implement its *NATO 2022 Strategic Concept*, it will need to focus on the key areas of force improvement listed in the document, not on total defense or equipment spending. It will also have to recognize that each NATO country presents a different mix of strengths and weaknesses that have evolved with the very different ways each country has taken a peace dividend since the collapse of the former Soviet Union (FSU), dealt with the rise of China and other powers, and dealt with the threat of terrorism and extremism.

There is no simple way to illustrate how sharp these differences are by country or the extent to which member countries should now seek to create different force postures and established patterns of modernization and readiness, according to their size, resources, and location relative to Russia. The key goal should be to create a force planning process and level of NATO progress reporting that will produce the changes in national spending that will actually implement NATO's

new strategic concept by developing a fully interoperable and well-focused approach to changing the forces and patterns of force modernization for each separate NATO country.

This means NATO force planning must often compensate for decades of national neglect and inadequate efforts. It means taking different national approaches to force development and compensating in different ways for having to convert from a Warsaw Pact force structure inheritance to one compatible with NATO. It means putting an end to spending that gives priority to supporting national defense industries over military effectiveness. It means halting spending that sustains fleets of steadily more outdated major weapons platforms – many of which are militarily obsolete and cannot be properly supported in serious modern combat. It means properly modernizing deployment capabilities, giving readiness the proper priorities, putting an end to the steady declines in many areas of the national defense industrial base, and putting an end to a host of other national programs that have created growing asymmetries with the military forces of other NATO states.

A quick read through of the annual editions of the IISS military balance or the national reporting on member country forces by IHS Janes shows that many other national problems are only documented at a classified level. NATO military and international staffs have made consistent efforts to deal with these issues over the years, but national reporting to NATO is erratic, and national force plans often are not fully implemented.

What is clear from unclassified studies, however, is that correcting problems like aging fleets of combat aircraft, missiles, armor, and ships; funding realistic training and exercises; correcting major deployability problems; and building up combat stocks to anything approaching 90 days' worth of *real-world* warfighting capability – will often require steady investment over a period of five to ten years. Moreover, as the NATO *Strategic Concept* makes clear, it will have to be accomplished in a world where military technology is evolving so quickly that investing in the correction of past mistakes on the basis of national – rather than NATO – priorities will make it impossible to properly invest in the future.

Looking at the Broad Patterns in Force Data

Figure Four provides a rough unclassified indication of the scale of the different national force size and structure problems created by the break-up of the FSU in 1992, the different approaches existing power took in taking a peace divided, the expansion of NATO by absorbing Warsaw Pact states, the Russian invasion of Crimea in 2014, and different real-world national approaches to shaping force strengths shown for 2022 *before the Russian invasion of Ukraine*. These numbers are taken from the annual military balances of the International Institute for Strategic Studies (IISS) for each year, and they sometimes differ from classified NATO and national estimates, although they still provide a broadly correct set of trend data.

These country data are also loosely grouped by strategic region and proximity to Russia and Belarus – rather than in alphabetic order. As **Map One** shows, this provides a far clearer picture of where NATO is weakest and how the differences in national force strength affect the ability to actually implement NATO's new *Strategic Concept*.

It is also important to note that the data for NATO Europe and Canada in **Figure Four** are prefaced by data on other countries which help shape the NATO-Russia balance in net assessment terms. They include the U.S. – which is capable of providing massive reinforcements and power projection capabilities and offsetting many European weaknesses. For all the talk about European

defense options, there is no real-world prospect that the EU or Europe will (or should) fund effective independent European capabilities.

The U.S. data are also important because the U.S. also operates on a global scale in cooperation with powers like Britain and France, and it can support smaller countries that cannot afford to develop a full range of military capabilities; space systems; cyber; and joint all-domain warfare systems in intelligence, targeting, command and control in battle management.

The preface at the top of **Figure Four** also shows just how much Russia was forced to cut its conventional forces since the break-up of the FSU, how much its military capabilities have declined as a result of the collapse of the Warsaw Pact and the shift of former Pact countries to NATO, and how small the forces of Belarus are –and Belarus is the only remaining country in Europe that might act as a strategic partner of Russia.

At the same time, **Figure Four** provides a broad picture of how sharply most NATO countries have cut their forces since the break-up of the FSU and Warsaw Pact as well as the weaknesses in many of the national forces nearest Russia. It only covers a limited range of major weapons systems for each country, but it still illustrates the need to carry out force planning on a country-by-country basis – rather than some standard percentage of spending for each country. Moreover, the data provide all too concrete evidence that NATO's burdensharing efforts after 2014 did not revitalize the Alliance or bring a halt to many European efforts to take a peace dividend after the Russian invasion of Crimea and at a time when it was less and less clear that there was a secure peace.

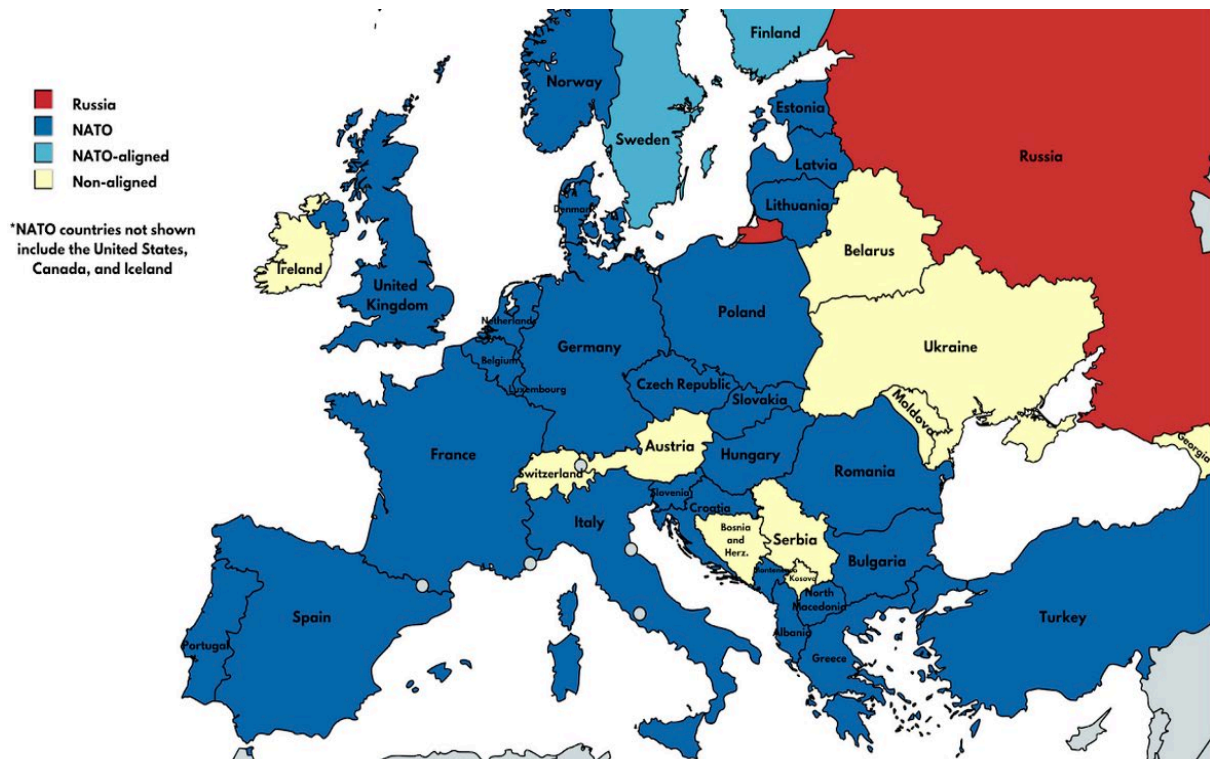
Figure Four: Looking at the Force Trends in NATO Europe and Canada by Country: 1991, 2014, and 2022 – Part Two

Country	Active Manpower (1,000s)*			Tanks*			Combat Aircraft *			Major Surface Ships		
	1991	2014	2022	1991	2014	2022	1991	2014	2022	1991	2014	2022
Southern Flank/ Mediterranean												
Italy	390	176	162	1,533	245	150	425	244	225	30	17	1
Spain	275	134	123	838	331	327	221	157	175	19	11	1
Portugal	68	43	27	86	113	37	97	42	35	8	5	0
Greece	163	143	143	1,945	1,462	1,228	376	277	231	19	13	1
Macedonia- North	-	8	8	-	31	31	-	0	0	-	0	0
Turkiye	647	511	355	3,714	2,504	2,378	455	352	306	22	19	1
Albania	48	14	8	190	?	56	95	0	0	0	0	0
Montenegro	-	2	1	-	0	0	-	0	0	-	0	0

Manpower rounded to nearest thousand. Only includes active tanks in Army and fixed wing tactical combat aircraft in Air Force. Does not include post invasion of Ukraine changes.

Source: IISS Military Balance, 1990-1991, 2014, and 2022 editions. Some corrections made to the 2014 figures by author, using NATO and other data.

Map One: NATO by European Country Relative to the Russian-Belarussian Threat



Source: Data compiled by the CSIS Emeritus Chair.

Looking at Detailed Country-by-Country Data and EU Comparison of European and U.S. Spending and Weapons Types

It should be noted that even a quick scan of the rest of the detailed data on European national forces in the 1992, 2014, and 2021 IISS report also make these issues far more clear. The country data often show major gaps in given areas of military capability within a given service; sharp divergences in weapons modernization and types that affect interoperability; and uncertain to negative trends in the patterns of the modernization of key fleets or ships, aircraft, armor, aircraft, and air defenses. The level of modernization and force strength in the forces of some of the former Warsaw Pact nations close to Russia are of particular concern.

Here, it is important to note that these issues have been fully recognized in EU work on Europe's technological and industrial base, and some of the key data the EU reports date back to 2018. **Figure Five** is still valuable, however, in showing just how different the average total spending per soldier is for Europe versus the United States.⁴ It also shows how many different types of major weapons systems existed in EU forces in 2020 and the number of different types of tanks, ships, and aircraft – two years before the Russian invasion of the Ukraine.⁵

The differences between these EU totals and the NATO European totals are trivial, and the EU analysis is all too correct in warning that,

European force postures have been driven by “economic worries: the slow but unremitting, decline in defense expenditure across many member states, as well as the rising unit costs of capabilities. For many experts, these rising intergenerational costs hint at futures in which even the best funded militaries in Europe will struggle to achieve full spectrum coverage with their existing defense budgets...This is further compounded by the huge duplication of effort when it comes to the development of new weapons systems...In comparison to the U.S., the EU collectively has six times the number of weapons systems in use for half the expenditure.

It is also clear from IISS reporting, that these differences in the number of weapons types would be far greater for both NATO Europe and the EU if they included other major categories of weapons like other armor vehicles, major artillery systems, land-based air and missile defense systems – or set key criteria for modernization like the ability to conduct effective anti-submarine warfare (ASW) operations against Russian nuclear submarines or provide modern long-range NATO country conventional precision-strike capability.

Figure Five: EU Analysis of U.S. versus European Expenditure and Weapons

<i>Category</i>	<i>EU</i>	<i>US</i>
Defense Expenditure	€227 bn	€545 bn
% of GDP	1.3%	3.3%
Investment per Soldier	€27,639	€108,302
Different Types of Weapons		
All Major Weapons Types	178	30
Main Battle Tanks	17	1
Destroyer/Frigates	29	4
Fighter Planes	20	6

Source: EU, Policy Directorate for External Relations, *In Depth Analysis: The EU's Defense and Industrial Base*, European Union 2020, EP/EXPO/SEDE/FWC/2019-01/Lot4/1/C/03, January 20, 2020, PE603.483, p. 5.

Creating an Effective NATO Force Planning Exercise

There are ways to create a far more effective NATO force planning effort. NATO has made efforts in the past to carry out effective force planning efforts on a national basis. During the 1960s, the U.S. worked with its allies to create national five-year plans that would report in detail on force levels, modernization, and readiness. The U.S. also worked to create a process where there would be both a detailed review by the NATO military and by a civil defense planning committee.

The effort succeeded to some extent, but the U.S. and its European allies could not agree to shape NATO planning around conventional options – as was desired by the United States. Member countries resisted any realistic nation-by-nation review of requirements and national efforts – a resistance that was initially and largely European but was joined by the U.S. as its readiness for NATO declined when the U.S. shifted assets to the war in Vietnam.

NATO then made later attempts to plan some key selective force improvements in key areas of interoperability and joint exercises – and did so with more success. It failed to create an effective NATO Air Defense Ground Environment (NADGE) because some member countries used the program to support civil air operations at the expense of military effectiveness. It also failed to create an integrated surface-to-air missile defense system, or “Hawk belt” – largely because of cost. It did, however, agree to an alliance-wide effort to deploy Pershing II and cruise missiles in response to the Russian deployment of new missiles like the SS-20.

Even before the FSU began to collapse, the U.S. cooperated in detail in developing options for mutual reductions in the inventory of NATO and the Warsaw Pact’s conventional arms which initially were called Mutual and Balanced Force Reduction (MBFR). This effort built on some of NATO’s first efforts to make detailed comparisons of NATO and Warsaw Pact forces and led to cooperative wargaming and planning by the SHAPE Technical Centre, the British defense analysis center at Byfleet, and the U.S. joint staff. This helped create the Treaty on Conventional Armed Forces in Europe (CFE), although much of the final force planning involved in the actual treaty became moot as the FSU and Warsaw Pact collapsed and as NATO countries rushed to take the peace dividends reflected in Figure Four.

If NATO is to succeed in actually implementing its new *Strategic Concept*, it must build on these lessons and develop national force plans that actually implement its strategic priorities. At a minimum, it must collectively conduct detailed annual reviews of national forces and force plans that honestly and openly assess national limits and problems, and it must accept the fact that the members of a 30 (32?) country Alliance have very different levels of resources, scale of operations, and abilities to develop integrated and interoperable forces.

It needs to develop ongoing net assessments of NATO capabilities to deal with Russia, terrorism, and China. It must fully review member country force plans that cover at least a five-year period on a rolling basis that is updated every year to reflect the radical changes taking place in military tactics and technology; in emerging and disruptive technologies; and in key areas like air and missile defense, joint all-domain operations and artificial intelligence, nuclear and conventional strike forces, and the other areas highlighted in NATO’s new *Strategic Concept*.

The Case for Transparency

This means honestly addressing national problems and shortfalls; it means focusing on effectiveness, rather than slogans and rhetoric; and it means compromise and dialogue rather than

focusing on limiting a given national burden at the expense of the rest of the Alliance – which means a change in U.S. attitudes as well as those of Europe.

It also means a more open and transparent NATO approach to force planning and net assessment. National defense officials will have to make convincing cases in their own countries as well as reach functional compromises within the Alliance. There will be no place for separate U.S. and European solutions to European defense and no justification for the gross over-classification of far too much of NATO's actual force planning and intelligence. (NATO needs to be honest about the fact that it is often easier to classify data to avoid international political debate than it is to preserve any real-world secrecy from Russia).

The United States could take a major first step in creating the kind of net assessment of Russia that NATO needs. The regular reporting by the US intelligence community on *China Military Power* has become a key tool through the West and the world in providing the kind of unclassified detail that shows the level of threat China can now pose. The U.S. once achieved the same result from an annual report on *Soviet Military Power*. It has only issued one such report on Russia in 2017, which now badly is out of date, is not written to support net assessments of Russian and NATO capability, ignores many of the realities revealed by the fighting with Ukraine, and does nothing to establish a pattern of outside reliance on regular U.S. reporting.

The key to success, however, lies in strengthening the entire NATO force planning effort, giving the NATO military and international staff a major role in providing assessments of how national plans track with NATO priorities, and involving senior country representatives in a functional force planning process. Here, the stronger powers in NATO – countries like Britain, France, Germany, and the U.S. – could take the lead by showing how they are acting to implement the NATO *Strategic Concept*. National defense research centers and think tanks should address key force planning priorities on a functional, real-world basis rather than as concepts and rhetoric. Functional debate with the Alliance should replace what is often the equivalent of a de facto code of silence.

The U.S. should also play a more proactive role in setting goals for the sharing of new technologies and provide more active assistance to its strategic partners in developing alliance-wide approaches to joint all-domain operations. At the same time, the U.S., Britain, and France should examine ways to cooperate in providing extended nuclear deterrence. At present, they seem to be pursuing three different approaches in a world where nuclear arms control seems to be collapsing and when the proliferation of precision long-range conventional strike systems creates a clear reason to develop a full spectrum of deterrence rather than solely focusing on the nuclear dimension.

As noted earlier, much of the longer-term force planning effort will depend on the eventual outcome of the current fighting between Russia and Ukraine. At least at present, however, the new NATO *Strategic Concept* seems all too correct in warning that NATO faces a prolonged period of tension with Russia much closer to the Cold War than the hopes that followed the break-up of the FSU, and where NATO will also face a continuing threat from terrorism and challenge from China. Effective NATO force planning is not a luxury. It is vital necessity.

¹ NATO, *NATO 2022 Strategic Concept*, <https://www.nato.int/strategic-concept/>.

² NATO, *NATO 2030*, June 2021, https://www.nato.int/nato_static_fl2014/assets/pdf/2021/6/pdf/2106-factsheet-nato2030-en.pdf. The fact sheet stated that, “At the Summit, Allied Leaders agreed to bolster Allied deterrence and defence. They reaffirmed their commitment to maintain an appropriate mix of nuclear, conventional and missile defence capabilities. They reiterated the importance of the 2014 Defence Investment Pledge and of continuing to aim to meet the NATO-agreed guideline of spending 2% of Gross Domestic Product on defence and 20% of annual defence spending on major new equipment by 2024. They committed to the full and speedy implementation of military plans to strengthen the Alliance’s deterrence and defence posture and continue to improve the readiness of forces to meet current and future defence needs.”

In addition, NATO published a *Brussels Summit Communiqué*, June 14, 2021, https://www.nato.int/cps/en/natohq/news_185000.htm?selectedLocale=en. It did provide some detail on Russian actions, although it preceded the Russia invasion of Ukraine, and it at least mentioned some key problems like “interoperability,” “Integrated Air and Missile Defence (IAMD),” nuclear forces, “Unmanned Aerial Vehicles (UAVs) to sophisticated hypersonic missiles,” “missile defense,” “cyberthreats,” and “Emerging and Disruptive Technologies,” “arms control,” and “energy security” in context.

³ It is entitled *Defence Expenditure of NATO Countries (2014-2022)*, *COMMUNIQUE, PR/CP(2022)105*, June 27, 2022, https://www.nato.int/nato_static_fl2014/assets/pdf/2022/6/pdf/220627-def-exp-2022-en.pdf.

⁴ The EU data in Figure Five included non-NATO powers like Austria, Finland, Ireland, Malta, Sweden, and still include the UK.

⁵ EU, Policy Directorate for External Relations, *In Depth Analysis: The EU’s Defense and Industrial Base*, European Union 2020, EP/EXPO/SEDE/FWC/2019-01/Lot4/1/C/03, January 20, 2020, PE603.483, p. 4, 7, 8.