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The NATO 2014 Summit: What Washington expects from Wales

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Washington’s Agenda for the NATO Summit

The summit of NATO heads of state in Newport, Wales, over the next days will be a particularly critical one. As always, the agenda is stacked with weighty issues, but this time with both urgent crises and pivotal long-term investment decisions. Ukraine, of course, will be front and center. With overt Russian aggression occurring just along the borders of the NATO Alliance it will be difficult to keep Ukraine from dominating leaders’ attention. Serious considerations are on the table and it is as important as ever to demonstrate Alliance solidarity. Russia’s recent escalatory moves - and Putin’s continuing contempt for international demands - is bringing together even some of the most resistant skeptics.

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The formal NATO-Ukraine Commission meeting with Ukrainian President Poroshenko will provide a high-profile opportunity for the alliance of 28 to demonstrate an unwavering commitment.

The Ukraine crisis has brought urgency back to the Alliance. In doing so, it has also triggered a new wave of attention on the utility of investing resources and political capital in Europe's security architecture. It is a moment of particular relevance for the Alliance, but also an opportunity of political and public attention on Europe not to be missed. Since the spring, U.S. officials have been ramping up their NATO activity. They will now bring to the table in Newport a series of concrete and ambitious objectives, including:

- achieving concrete budget pledges from all Allies;
- advancing reassurance initiatives (whether that is through contingency plans or additional resources, including greater flexibility for SACEUR's use of them);
- ensuring the handover in Afghanistan from ISAF to Operation Resolute Support proceeds responsibly and effectively;
- emphasizing that the Alliance must prioritize security interests both to the east and the south without forsaking one for the other;
- enhancing NATO's work with partnership projects and capacity building, in order to add this training expertise to NATO's basket of crisis response tools; and
- preparing NATO for future threats, such as in the cyber domain.

Capabilities and Resource Management

The Summit will cover a wide-ranging working agenda. The focus will, however, be on demonstrating Alliance commitment and solidarity on Ukraine; ensuring it develops the resources it needs to be more agile and responsive, and – especially important in Washington's eyes– identifying the financial resources to keep the Alliance strong and spreading the cost more evenly across NATO member states. Capabilities and burden-sharing will be the watchwords.

Capability development will be an important part of the Summit conversation, again related (at least in part) to Ukraine. In the last weeks and months there has been new attention on the question of NATO's capabilities to address hybrid warfare. The tactics that Russia has been using to act against Ukraine are causing alarm. Russia used a similar approach in Georgia in 2008. But as General Philip Breedlove, NATO's Supreme Allied Commander, has noted, they showed



themselves to be much better, smarter, and faster at it in Crimea.² Breedlove has said openly that Russia caught the Alliance by surprise, and he does not want it to happen again. Over the last months, he emphasized strongly both in public and private that NATO must better prepare to deter and respond with an approach that combines conventional military forces with information operations, economic measures, unmarked forces, or other means of local coercion to accomplish an aggressive maneuver. Ambiguous attacks such as this can be harder to detect or defeat, and are more complicated to organize a unified response to. It is time to consider what tools NATO may need to deal with this type of aggression and how to prepare the Alliance so it can have the speed and flexibility to act in these situations.³

Breedlove will bring to leaders in Wales a specific proposal to enhance the resources he would need to respond to a rapidly executed attack on a NATO treaty member. Ideas are in play to improve NATO's Reaction Force with a "spearhead" component using rotational troops, along with increased training exercises and the repositioning of equipment and new infrastructure that could enable rapid response, if/when needed. The Obama administration seems similarly inclined. When it started outlining possibilities to the U.S. Congress for their own funding of reassurance initiatives by NATO, it proposed similar ideas. What was essential for Washington was that they would not support new *permanent* military deployments in eastern Europe; rather a new model of an enhanced *persistent* presence through rotational troops. They are not the only ones within the NATO alliance to resist calls for new permanent presence in the east. It seems that the U.S. approach is generally in sync with the package SACEUR is anticipated to present at the Summit meeting.

Even aside from the Ukraine crisis, it is a timely conversation. After more than a decade of the military mission in Afghanistan, it is important to "re-examine how NATO militaries are trained, equipped, and structured to meet new and enduring security challenges", said Secretary of Defense Hagel recently. Time and time again, the alliance has come up against its capability shortcomings. Libya showed the limits of most Alliance member states' resources available for high-end operations. The Afghanistan mission challenged NATO to carry out a long-term combat operation. Meanwhile, critical gaps in NATO's core capabilities such as Intelligence, Surveillance, Reconnaissance (ISR) and aerial refueling are of particular concern, especially for the U.S., which often has to fill these costly gaps. For the U.S., NATO preparedness initiatives are imperative. And they should focus on the full spectrum of conflicts, whether that be high-end systems for deterrence and power projection or special operations and rapid response capabilities.

Since NATO's origin, America shouldered the majority of the financial and military responsibility to provide this security umbrella for Europe. Yet even since the end of the Cold War, the proportion of U.S. military spending compared to that of the Europeans within the alliance has increased even further. There are numerous statistics showing this alarming trend. "In a little over two years, European defense spending shrank by over \$45 billion - almost the

² General Philip Breedlove, Remarks at the Brussels Forum of the German Marshall Fund, March 22, 2014.

³ Breedlove, "The Meaning of Russia's Military Campaign Against Ukraine", *Wall Street Journal*, 17 July 2014



equivalent of the annual defense budget of Germany".⁴ Secretary General Rasmussen cites "that over the past years, some of our European Allies have cut their defence spending by as much as 40 %".⁵ Looking at the total pot of transatlantic defense spending, that means the U.S. is covering nearly 75% of the total, up from 50% ten years ago.⁶ America's defense spending is three times the combined defense spending of NATO's other 27 member states.⁷ The trend of significantly decreasing European defense budgets is worrying. Just looking at last year (2013), a majority of NATO members reduced defense spending. Most drastic cuts were in the defense budgets of Canada (7.6%), Slovenia (8.7%), Italy (10.3%), Hungary (11.9%) and Spain (11.9%). With such downward trajectory of defense budgets across Europe, it will be difficult to fill the already existing capability gaps and adapt for future missions.

It is also a matter of what European governments are spending their defense budgets on. European countries spend on average between 50-75% of their defense budget on personnel (compared relatively to 36% in the U.S.). Still, the examples of recent difficulties ensuring sustained deployment to Afghanistan are not encouraging. In 2011, outgoing Secretary of Defense Gates cited statistics of over 2 million European soldiers amongst European countries, but was dismayed that NATO countries had such difficulty to sustain deployment of 25,000-40,000 troops to Afghanistan.⁸ Meanwhile, equipment needs in European militaries are significantly under-resourced. Europe has a large number of soldiers, but the quality of equipment, investment in training, and deployability varies significantly (with more than a few countries still requiring significant investment). As Afghanistan deployments ate up the defense budgets of European countries over the last decade, some European militaries have fallen even further behind in modernization.

To be fair, some European militaries are exhausted, having stretched much of what they had in order to take part in the Afghanistan mission, the largest combat mission in NATO's history. And they did. But serious defense commitments remain and the Alliance must invest in the capabilities to address them. The problem is, the U.S. cannot cover the financial burden for this shortfall, especially such a disproportionate percentage of it.

The challenge of resource allocation to NATO is a serious one for the United States government. Domestic pressure to "keep our defense dollars at home" is not going away; in fact, it may be even stronger in a Congress that is scouring the defense budget for significant cuts and now starting to tackle painful trade offs. This Congressional skepticism reflects a pervasive mood across the United States: "Given the amount we put into NATO, do we get enough out of it? If European countries won't pay more, why should we?" Add to that a waning

⁴ "NATO in an Era of Global Competition", report by the Atlantic Council of the United States, June 2014

⁵ Anders Fogh Rasmussen, NATO Secretary General, April 7, 2014.

⁶ Atlantic Council: "NATO in and Era of Global Competition, *ibid.* Also, Robert Gates, U.S. Secretary of Defense, "The Security and Defense Agenda (Future of NATO), Remarks at the NATO Defense Ministerial (Brussels, Belgium), June 10, 2011. And "The Implications of Military Spending Cuts for NATO's Largest Members, report by The Brookings Institution, 2013.

⁷ Chuck Hagel, U.S. Secretary of Defense, Remarks at the Woodrow Wilson Center, May 2014.

⁸ Gates, *Ibid.*



interest for an active American role in the world and one can see how the Obama administration feels that time is running out.

The U.S. needs a demonstrable change in the NATO resourcing balance, and they are staking a great deal of political capital on getting something from their fellow NATO allies at Wales to reverse this course. Administration officials have made it their primary talking point lately that “Alliances are a two way street”⁹. America’s leaders have been emphasizing this point over and over again for years, but with little result. The Obama administration is worried that time is running out. Even though it is an era of austerity all across the Alliance, the American public is particularly frustrated about the fact that this is a chronic problem and their aggregate contribution is so imbalanced.

They are working hard to secure a credible commitment from European partners, at least something to demonstrate a reversal of the downward spiral of European defense spending. High level officials are making a last minute push on resistant allies. They hope that by bringing a hefty contribution to the table and leading by example that they can challenge others to budge. President Obama’s new \$1 billion contribution (his “European Reassurance Initiative”) should demonstrate to NATO’s members that America’s core commitment to their defense remains solid. But the Obama team also hopes it will become a trigger to likewise motivate defense contributions from its European partners. President Obama has personally been making the calls in the final days. But it is a risky strategy. It has almost become a line in the sand. They need to come home with something that demonstrates “renewed European resolve to invest in its own defenses”, as Secretary Hagel has said.

NATO and it’s Long Term Relevance

The Wales Summit is not only urgent, but also potentially pivotal for the longer term. It is coming at a strategic moment. Even before the Ukraine crisis exploded earlier this year, the Summit was envisioned as a chance to reflect on where the Alliance is going now that the Afghanistan mission – and 13 whirlwind years of combat – will wind down. Where should the Alliance be putting its priorities? How should the organization capture, store, and capitalize on the lessons learned? Where can the trans-Atlantic burden-sharing bond be strengthened? And what are the strategic priorities for the future? All of these topics remain valid, even more so now.

Of course, some of the items are more controversial than others. Afghanistan may seem overshadowed now that the combat mission is winding down. But it will still be the first topic of attention on the Summit agenda. And for the U.S., Afghanistan is not off its NATO “to-do” list yet. Washington is looking to get two things out of the discussion. First, President Obama is

⁹Susan Rice, U.S. National Security Advisor, Remarks at the Center for a New American Security, June 2014.



strongly invested in the path to exit, having spent the heavy resources and political capital to get there. He wants to make sure that the drawdown goes smoothly and the follow-on “Operation Resolute Support” is well resourced - both in terms of force levels and funding. Alliance contributions will be essential.

Second, they want to capitalize on the lessons learned from the partnership structures that emerged from the Afghanistan experience. In particular, they want to capture the interoperability platform built for ISAF and convert these resources into institutional knowledge before they are lost. This fits with a constant push by the U.S. to promote efficiencies within NATO and lines up with President Obama’s broader philosophy of making use of broad-based global coalitions wherever possible.

Partnership will also be a mantra for the U.S. agenda at Wales - and afterwards - in so much as it syncs with the new U.S. defense approach towards enhanced training initiatives. Lately, the concept of NATO as a “global-security hub” has entered the policy discourse. It is built on the idea that NATO is an institutional resource with unique experience in training and defense capacity building – a resource potentially useful in a wide range of situations. For example, how could NATO assets, capability, and experience be used in military or security sector training initiatives without requiring a full NATO operation? There has even been indications by U.S. officials in pre-Summit consultations that this could provide a format under which NATO could consider “engaging in the Iraq and Syria theaters” as well as a new NATO effort in Africa.¹⁰ The U.S. is seriously focused on Ukraine, but meanwhile is simultaneously involved in the crisis of ISIL and extremism in the Middle East. They are always looking for appropriate ways for NATO to bring value-added contributions to the southern as well as the eastern flank, believing both are equally important.

Conclusion

NATO leaders currently face a moment of particular significance for the Alliance, but also an opportunity for political and public attention. The Wales Summit has the possibility for greater public resonance than there has been for some time. There is a chance to develop a public narrative that can help to sustain investments in European security. Public support for NATO has been consistently dropping for some years; citizens across the alliance wonder what direct benefit it provides for them at home. As budget pressure continues in states across the Alliance and the choice of where to cut is becoming more difficult, citizens are often being forced to choose between cuts to social welfare or defense. It's a realistic question to ask: what benefit does NATO bring to their daily lives? The unfortunate crisis in Ukraine and this period of angst over European security have opened a rare window of opportunity to change the public views on and support for NATO. It is an opportunity which should not be missed.

¹⁰ Charles Kupchan, Senior Director for Europe, U.S. National Security Council, On-the-Record Briefing, 29 August 2014.



This week, leaders will have the challenge not only to deal with bubbling crises, but also to consider fundamental questions for the Alliance. The end of the combat mission in Afghanistan is a major turning point. The Ukraine crisis has been a watershed moment for European security and resurrected collective defense as a fundamental concern. Until earlier this year, the idea of a conventional threat to Alliance territory itself had long passed. Attention was increasingly dedicated to preparing for non-traditional threats. The Alliance urged member states to dedicate their resources increasingly to developing their capabilities for expeditionary missions. Updating those capabilities and filling shortfalls laid bare by recent missions can no longer be deferred. Meanwhile, the recent crisis has certainly brought threats from the immediate neighborhood back to the table. But has it fundamentally changed the purpose of the Alliance? This is one of the core questions which the Alliance will debate internally in the near term. The U.S. believes Ukraine has and will continue to have a fundamental impact on the Alliance; but there are also many priorities which the U.S. sees for NATO aside from the crisis in the east. The growing threat of the Islamic State (ISIL or ISIS) is gaining increasing attention in the U.S. and some parts of Europe. How will the Alliance balance its resources when there are serious threats to member states tugging from all directions? Can the Alliance keep moving forward on all of its relevant tasks? There is plenty of urgency in NATO's current agenda and the U.S. remains deeply vested in its efficiency and success. But they need to come home with something showing that they are truly sharing the burden for all these tasks with contributing partners across the Alliance – most especially, the cost.

