



# STRATEGIC FILE

No. 20 (55), September 2014 © PISM

Editors: Marcin Zaborowski (Editor-in-Chief) • Wojciech Lorenz (Managing Editor)  
Jarosław Cwiek-Karpowicz • Aleksandra Gawlikowska-Fyk • Artur Gradziuk •  
Piotr Kościński • Roderick Parkes • Patrycja Sasnal • Marcin Terlikowski

## NATO Narrows Military Gap on Its Eastern Flank

**Wojciech Lorenz**

*The decisions taken during the NATO summit in Wales will partially fill the security gaps on NATO's eastern flank. The alliance will be better prepared for a number of traditional and asymmetric threats, emanating from Russia, against its members. However, the alliance has no answer for the strategic change caused by annexation of Crimea and possible dismemberment of the rest of Ukraine. NATO will also remain vulnerable to attempts to undermine its credibility—a path Russia may embark upon in pursuit of its broader strategic goals.*

The NATO leaders in Wales decided to strengthen security on the eastern flank of the alliance, in response to Russian aggression against Ukraine which has undermined the post-Cold War order in Europe. The decisions are tailored to reassure new NATO members, to dissuade Russia from escalating tensions into wider conflict, and to demonstrate support for Ukraine. In order to enhance the credibility of Article 5 guarantees, NATO approved a Readiness Action Plan, which will shorten the reaction time of NATO forces if new members are threatened. The already existing NATO Response Force (NRF), the most advanced NATO unit, consisting of 13,000 troops who can be ready for action in between five and 20 days, will be equipped with a high readiness brigade (up to 5,000 troops) able to deploy in between two and five days. The agreed plans also include raising the readiness level of the Multinational Corps North-East, with headquarters in Szczecin on the Polish coast—previously a low readiness unit with a preparation time of up to six months. To facilitate the deployment of both quick reaction forces, and slower but bigger follow-on units, NATO decided to station necessary facilities, equipment and logistics specialists on the territories of Poland, Estonia, Latvia, Lithuania and Romania.

NATO will also develop capabilities and procedures necessary for countering asymmetric and hybrid warfare accompanied by misinformation, cyber attacks and unidentified armed persons. These capabilities will include an enhanced early warning system, updated threat assessment, more detailed defence and crisis response plans, and improved intelligence sharing among the allies.

To reassure allies on the eastern flank, the alliance will also enhance its visibility in the region, through exercises that will, in practice, lead to the continuous presence of NATO troops on the territories of the new members. Although Poland and the Baltic States asked for NATO forces to be based on their territories permanently, some of the allies were reluctant to meet the request due to concerns of militarisation in the region and retaliatory escalation from Russia. Thus, NATO is adhering to the NATO–Russia Founding Act of 1997, which states that there should not be a permanent stationing of substantial combat forces on the territories of new members in the current and foreseeable security environment.

The credibility of NATO security guarantees will additionally be augmented by strengthening the transatlantic link and value of NATO for all members, which sometimes have different security perspectives. While the alliance is refocusing towards collective defence in Europe, it is also going to develop expeditionary capabilities. A 10,000-strong Joint Expeditionary Force (JEF) will be formed, with the UK as a framework nation, supported by Denmark, Estonia, Latvia, Lithuania, the Netherlands and Norway, to deal with the threats inside and outside NATO territory.

NATO made it clear that, as a defence alliance, it is not going to intervene militarily in Ukraine, even by sending military equipment, which could lead to a proxy NATO–Russia war on the Ukrainian territory. Nevertheless, Ukraine can benefit from NATO voluntary trust funds that will help transform and modernise the Ukrainian army. Such funds will finance command control and communications, strategic communication, logistics and standardisation, cyber defence, and support for military personnel, including wounded soldiers.

The decisions agreed in Newport represent a balanced approach to the security crisis in Eastern Europe. They better prepare NATO for further aggression from Russia, but keep the channels of communication open and leave room for manoeuvre, for de-escalation if Russia changes its course, and for escalation if the Kremlin decides to confront the alliance. However, there are still some fissures in the NATO posture. Since Russia has thus far been able to achieve its strategic goals using force and intimidation, it is quite likely it will try to exploit any cracks within the alliance, hoping to undermine NATO's credibility.

## **Russia's Capabilities and Intentions**

Russia's ultimate goal seems to be the creation of a new, transatlantic security architecture (from Vladivostok to Vancouver), which was first mentioned by President Putin in his 2007 landmark speech in Munich. He promoted this concept vigorously, together with that of a common economic space from Lisbon to Vladivostok, which Putin recalled in August.

Although Russia is the biggest country in the world based on territory, it has limited potential to increase its political and economic influence. Its population (140 million) is significantly smaller than China (1.4 billion), the EU (500 million) and the U.S. (320 million). Its economy is eight times smaller than those of the U.S. and the EU, and five times smaller than that of China. In the past decade, Russia has continued to improve its position. It created the Eurasian Economic Union, comprising Russia, Belarus, Kazakhstan (Armenia and Kyrgyzstan are potential candidates) and formed Common Security Treaty Organisation (CSTO)—a military alliance consisting of Russia, Armenia, Belarus, Kazakhstan, Kyrgyzstan and Tajikistan. It also increased its clout through the network of economic and energy dependencies, often used to exert pressure on neighbours and partners and create divisions among EU and NATO members. In 2008, Russia invaded Georgia and recognised the independence of the two breakaway republics of Abkhazia and South Ossetia, limiting Georgia's prospects of NATO membership.

War with Georgia was seen as a major test for Russian military capabilities. On the base of this experience, Moscow intensified efforts to modernise its military. Between 2008 and 2013, the Russian defence budget rose twofold from \$43.8 to \$87.8 billion. In 2010, military districts were merged, enabling Russia to gather significant forces on the western front. It is able to perform fast military operations and can carry out surprise attacks by changing snap exercises into offensive military operations. Although investments have not been as fast as expected, and modernisation is far from complete, Russia continues to introduce new weapons systems and improve its capability to project power both in its neighbourhood and against major world players, with the U.S. at the forefront.

The most vulnerable to Russian threats are NATO's newest members. They include Estonia and Latvia, which border mainland Russia, and Lithuania and Poland, bordering Kaliningrad Oblast—the westernmost part of Russia. The presence of nuclear capable Iskander ballistic missiles close to St Petersburg, and the possibility to deploy them quickly to Kaliningrad puts the region under direct threat of conventional or nuclear ballistic missile attack. The strategic importance of Kaliningrad Oblast for Russia raises the stakes in terms of NATO–Russia confrontation. Kaliningrad is the only ice-free Russian port on the Baltic, and hosts the Russian Baltic Fleet, two airports, significant military forces and equipment. The presence of S-300 and

S-400 air and missile defence systems gives Russia the capability to enforce no-fly zones and secure dominance in the air over large areas of the Baltic Sea, Estonia, Latvia, Lithuania and the greater part of Poland, limiting NATO's ability to defend the region.

Russia maintains a similar ability to project power in the south of Europe, with a military presence in Transnistria, and has drastically improved its power projection capability in the broader Black Sea region by the annexation of Crimea. Access to airports and lack of limitations to the deployment of military equipment such as Iskander ballistic missiles, S-300 and S-400 systems, and Su-25 attack aircraft able to carry tactical nuclear weapons, give Russia new possibilities of exerting military pressure on Turkey, Romania, the Balkans and even Slovakia, the Czech Republic and Hungary—countries which have so far felt immune from Russian direct military threat. The annexation of Crimea also extended Russia's ability to project power into the Mediterranean region. The planned sale of French Mistral-class assault landing ships to Russia, with one (the *Sebastopol*), despite Moscow's denials, likely to be deployed to the Black Sea, would further increase Russian military capabilities in the region.

The Russian military has also managed to catch up with the U.S. by developing the capability to perform precision strikes across the globe, including on U.S. territory. The GLONASS satellite system, which enables precision targeting, became fully operational in 2011. Russia has also introduced a new generation of long-range air and sea launched cruise missiles, precision guided gravity bombs, and armed UAV.

Skilful manipulation of the nuclear threat, and blackmail, are important parts of the Russian strategy. In the previous decade, the Russian military signalled its reliance on nuclear weapons to balance the United States' advantage in conventional weapons. In 2000, the Kremlin approved a doctrine that stated that nuclear weapons could be used during a regional or large scale war in situations critical for national security, which meant that Russia could resort to a preventive attack with tactical nuclear weapons if threatened by overwhelming conventional forces. The credibility of such a scenario was supposed to be enhanced by exercises, which in 2009 reportedly simulated a nuclear attack against Poland and the Baltic states. In 2010 Russia changed its doctrine and reduced the role of nuclear weapons, which could be used in the same types of conflicts but only if the very existence of Russia was threatened. Although there could be different motivations for such a change, it probably reflected a new Russian confidence in conventional military tools for deterring potential threats and keeping the West at bay. However, during the conflict with Ukraine, different Russian officials have referred numerous times to the significance of the Russian nuclear arsenal, and even made direct threats to use it. In September the Kremlin announced that it is going to change its military doctrine, which will probably again lower the threshold for the use of nuclear weapons.

Although Russia signals that the new NATO members are the most likely targets of any attacks, it cannot be excluded that the Russian military has secretly developed the ability to threaten Western Europe with intermediate-range weapons that are banned under the 1987 INF treaty. The U.S. has recently revealed that Russia has apparently been violating this treaty since 2008.

Patterns of Russian military exercises in Europe indicate that Russia tests the scenarios of different levels of escalation, and is prepared for a limited confrontation with the West. The increased activity of Russian aircraft, including strategic bombers, suggests that Russia has been collecting intelligence and checking the air defence readiness of NATO and partner countries. Possible scenarios may include an attack on the Swedish island of Gotland to maintain superiority in power projection in the Baltic Sea region, carving a corridor to Kaliningrad through Lithuania to defend and support this strategically important region and to cut off the Baltic States from the rest of NATO's territory, violating the territorial integrity of the Baltic States to undermine the credibility of NATO, or even limited nuclear attack. Asymmetric warfare capability offers Russia additional levels of escalation with plausible deniability. It can pursue its political military goals by using the Russian minority in Estonia and Latvia. It can also look for other creative ways of undermining NATO's credibility, such as the alleged kidnapping of an Estonian officer by FSB from Estonian territory during the NATO summit.

Russia is consequently acting on the principle of "no NATO in its vicinity." Its actions seem to be aimed at removing the existential threat from the expanding NATO and EU, providing Russia with a secure environment for development as an undemocratic state which only partially respects the rules of the market economy. The Russian regime may calculate that, by escalating the crisis in Ukraine, it may force the

creation of a new security architecture, which would *de facto* settle the new sphere of influence. If undermining Ukraine's territorial integrity proves insufficient, the Kremlin may be ready to escalate further, resorting to attempts to test NATO's credibility. The direct nuclear threat towards new members, and more veiled threats towards Western Europe and the United States, could be used to divide the West and weaken western commitment to the security of the new members.

## **The U.S. and NATO Stance on the Eastern Flank**

The United States offers security guarantees for NATO members through Article 5, which states that an attack on one member is an attack on all. However, the nature of security guarantees is likely to have changed since the collapse of the Soviet Union. During the Cold War, U.S. commitment to Europe's defence resulted from the conviction that a Soviet attack against Western European allies would be a first step towards the confrontation with the United States. Today, Russian ideology does not imply that it seeks world domination, and therefore Russia is not an existential threat for the United States and neither to its global supremacy. Instead, it is perceived as a crucial partner, indispensable for solving global problems. As the biggest challenge to the United States' global interests come from the growth of China, the U.S. has begun to rebalance its forces toward Asia, limiting its presence in Europe and changing its stance from heavy territorial defence units into lighter, easily deployable forces.

The credibility of the security guarantees could have also been affected by U.S. disappointment with European allies because of their insufficient investment in defence and reluctance or inability to contribute to out of area operations. Since the end of Cold War, U.S. defence expenditure has grown from 50% to 70% of overall NATO expenditures. Only the United States, Greece, the UK and Estonia spend at least 2% of their GDP on defence, as recommended and approved by NATO. This has resulted in gaps in capabilities between the U.S. and European allies, and undermined interoperability, necessary for both territorial defence and expeditionary missions. The 2011 military operation in Libya revealed that even the most capable countries, such as France and the UK, ran out of precision-guided munitions after two weeks of combat operations.

The NATO stance on the Eastern flank has been shaped by the reluctance of the old members to strengthen the territorial defence of the new allies, arguing that it may provoke Russia. At the same time, the biggest European NATO members, such as France and Germany, have invested in Russian military modernisation programmes. Berlin has also made strategic decisions in the energy sector, which increased German dependency on Russian gas and offered Russia new possibilities of exerting pressure on its neighbours. The decision to build the Nord Stream pipeline connecting Russia with Germany through the Baltic Sea, bypassing Ukraine, gave Russia an opportunity to destabilise Ukraine without affecting gas-flow to the most influential EU country.

Only in 2009, under U.S. pressure, did the alliance adopt the general contingency plans for the defence of Poland and Baltic States. But the allies still tried to refrain from exercises in the region. The western NATO members had only limited participation in the first live territorial defence exercises in Poland and the Baltic States—Steadfast Jazz 2013. However, the biggest controversies were stirred by American plans to use Central Europe as a base for elements of the ballistic missile defence systems to protect American territory against attack from Iran. The original plans envisioned the presence of powerful radar in the Czech Republic, and land based missile interceptors in Poland, with both installations being directly linked with the protection of American territory, thereby enhancing the strategic significance of the region for the United States. In 2009, Washington announced that the radar in the Czech Republic was to be scrapped, while land based missiles in Poland were replaced with mobile launchers, which will only protect European territory.

## **The Strength of NATO's Reaction**

In Newport, NATO has begun a strategic shift towards a better balance between an out of area focus and territorial defence and deterrence. NATO leaders have taken steps that can improve political and military mechanisms of collective defence guarantees. The development of expeditionary capabilities, together with the political pledge that NATO members will increase defence spending by at least up to 2% GDP during

the coming decade, can increase the value of NATO in the U.S.'s overall strategy and may have a positive influence on the reaction time and the scope of U.S. support for Europe in a crisis situation.

The continuous exercises of NATO troops on the territories of new members will be a warning that any aggression would be an attack against other NATO states and could trigger a more decisive and unified response. The creation of a quick reaction brigade will shorten the reaction time to a number of threats. However, to make it truly effective, the decision to deploy the unit should be in hands of the Supreme Allied Commander (SACEUR) and should not require the approval of all 28 states.

The decision to unilaterally observe NATO Russia Founding Act and not to base NATO forces permanently in Poland and the Baltic States leaves room for manoeuvre in the event that Russia tries to escalate further to undermine the credibility of NATO. Since traditional Cold War deterrence breaks down in the face of hybrid warfare and asymmetric attacks, NATO needs to be prepared for different scenarios, from the hypothetical downing of a Baltic Air Policing aircraft by unidentified Russian speakers in Latvia or Estonia, to the worst case scenario of a direct attack with ballistic missiles against a new NATO member. In such scenarios NATO would face limited options to maintain a credible deterrent. It is highly unlikely that it would respond with a counterattack, as it was supposed would happen during the Cold War, but it could resort to the permanent basing of NATO or U.S. forces on the territories of some new members.

The divisions displayed ahead of the summit, and the vocal opposition of some allies to a permanent NATO presence in Poland and the Baltic States, may suggest that the alliance's threshold of credibility could already be low. If Russia were able to display NATO's lack of political will in face of a threat, the security of Central and Eastern Europe would rest on the guarantees and resolve of the United States. Since the Supreme Allied Commander (SACEUR) is also the commander of United States European Command (EUCOM), he would be able to use American resources to beef up security on the eastern flank to respond to Russian escalation. To be prepared for such scenario, the U.S. has announced the European Reassurance Initiative (ERI), which will finance the stationing of equipment and a rotating U.S. presence in the Baltic States, Poland, Romania and Bulgaria, which has already begun. The deployment to Europe of U.S. B2 strategic stealth bombers capable of delivering nuclear weapons was the most potent signal of the United States' commitment to European security. The U.S. is also trying to strengthen the allies' national capabilities. Poland has apparently been granted permission by the U.S. to buy AGM-158 joint air to surface stand-off missiles (JASSM) for its fleet of F-16 multi-role fighter aircraft. It will be only the third country after Australia and Finland to receive these advanced cruise missiles, which can destroy key targets at a range of up to 370 km. The major game changer for regional security will be the development of the Polish air and missile defence system, which will deny Russia air superiority and limit Russian options to threaten the region with ballistic missiles.

Russia can also be discouraged from provoking the conflict by the closer cooperation between NATO and partner countries, especially Finland and Sweden. The Host Nation Support Agreement, signed during the Newport summit, will enable both countries to be reinforced in the event of regional conflict, which can change the Russian calculations.

Still, the biggest challenge for NATO is how to deal with the strategic consequences of Russian aggression against Ukraine. The proposed trust funds can have a positive effect on the Ukrainian army in the longer term, but does not strengthen Ukraine against clear and present dangers. By creating the enclaves in eastern Ukraine, Russia is attempting to pre-empt and block any Ukrainian efforts to join NATO, even it decided to give up the territorial claims to Crimea. The Kremlin has the capability to go further, totally dismembering the country and cutting it off from the Black Sea. This would not only lead to the economic collapse of Ukraine, but could allow Russia to open a corridor to Crimea, or even further to Transnistria—a separatist enclave of western oriented Moldova—with huge, negative strategic consequences. Such a move would keep the remnants of Ukraine away from western integration, create a pocket of instability close to EU and NATO borders, and give Russia the capability to project power further into southern Europe, bringing a direct threat to Moldova and Romania, but also increasing risk for Bulgaria, Czech Republic, Hungary and Slovakia.

NATO, together with the EU, will have to adopt a common view on what is at stake in order to effectively employ all political, economic, and military tools to prevent Russian-backed separatists and Russian units from further gains in eastern Ukraine. To limit the damage now, it is a necessary precondition for Ukraine to increase its chances of regaining control over its own territory in the future. NATO and the EU should coordinate further moves regarding escalation and de-escalation, and send a clear signal that Russia will not achieve its political goals by the use of force and the threat of nuclear confrontation.

NATO has already demonstrated its commitment to an open-door policy by offering new initiatives to support Georgia's integration and opening intensified talks with Montenegro. But the weak response from the EU could lead to unofficial acceptance of a Russian enforced status quo, which would *de facto* create a new sphere of influence. This would be contrary to fundamental western values of democracy, freedom and the rule of law, and would mark a historical reversal from the post-Cold War order. In the short term it could be the cheapest way to bring an end to the conflict in Ukraine. In the longer term it would make Ukraine and other satellite countries potential grounds for future conflicts, while Russia would maintain its options to achieve strategic goals by force, should it see the right opportunity.