

POLICY BRIEFING

# Strasbourg-Lisbon-Chicago: NATO quo vadis?

## Abstract

The past three NATO summits, held in Strasbourg / Kehl (2009), Lisbon (2010) and Chicago (2012), have witnessed the rather turbulent development of the alliance's strategic environment, requiring the group to adapt more rapidly than ever before. NATO's structures have been revised several times. Of the 16 headquarters with 20 000 staff that the organisation counted in the 1990s, only 7 will survive, with less than 9 000 staff. Territorial defence, once a key element of NATO's defence, will mainly consist of missile and cyber defence, and possibly critical infrastructure protection. NATO has become much more focused on sustainable high-end operations abroad, but the likelihood of more action if this type is rather slim. With the financial crisis and the concentration of the US on Pacific security interests, European allies need to do more for European security. While efforts in this direction were initiated in the 1990s, they were largely forgotten during the War on Terror. Today, however, NATO and the EU must develop a profound and mutually beneficial cooperation. With the Lisbon treaty, which abolishes the pillar divides between the Union's security and defence policy and its other policies, the EU may now exercise a complete security role. The Treaty on European Union requires the 'progressive framing of common Union defence policy'. And yet this process is anything but underway. It is unclear if the forthcoming European Council meeting on defence matters, to be held in December 2013, will place this issue on its strategic agenda. A reflection on the question is today more important than ever before, as the role model of NATO that the EU treaties have built upon since Maastricht and Amsterdam has significantly changed.

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**AUTHOR:**

Ulrich KAROCK  
Directorate-General for External Policies of the Union  
Policy Department  
ASP 03F374  
rue Wiertz 60  
B-1047 Brussels

Editorial Assistant: Elina STERGATOU

**CONTACT:**

Feedback of all kinds is welcome. Please write to:

[UUlrich.karock@europarl.europa.eu](mailto:UUlrich.karock@europarl.europa.eu).

To obtain paper copies, please send a request by e-mail to:

[poldep-expo@europarl.europa.eu](mailto:poldep-expo@europarl.europa.eu).

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## 1. Framework

Article 42 (7) of the Treaty on European Union (TEU) refers to the North Atlantic Treaty Organisation (NATO) as the Organisation which 'for those States which are members of it, remains the foundation of their collective defence and the forum for its implementation'.

Paragraph 2 of that same article stipulates that the Common Security and Defence Policy (CSDP) of the European Union (EU) 'shall not prejudice the specific character of the security and defence policy of certain Member states and shall respect the obligations of certain Member states, which see their common defence realised in the North Atlantic Treaty Organisation (NATO), under the North Atlantic Treaty, and be compatible with the common security and defence policy established within that framework'.

It is noteworthy that for 'collective defence' Article 42 (7) TEU is strict: it refers to all members states which are signatories of both treaties, assigns NATO the lead in collective defence and requires the EU's security and defence policy to comply. For 'common defence', however, Article 42(2) TEU is less strict, referring only to 'the obligations of certain Member States, which see their common defence realised' in NATO.

In both cases a third element is added: that certain EU Member States conduct a specific security and defence policy (e.g. neutrality, independent nuclear deterrence), which may depart from the common policies conducted within the EU and NATO frameworks.

This means that some EU Member States achieve their common defence through the collective defence established in the NATO framework and, therefore, that they may not need to commit to a common defence in the EU framework. For some members of both organisations, however, and for those states that are members of the EU but not of NATO, a common Union defence could be an option. Its establishment would require the consent of all EU member states.

The Treaty on European Union requires the 'progressive framing of common Union defence policy'. This process, however, is anything but underway. It is unclear if the forthcoming European Council meeting on defence matters, to be held in December 2013, will place this issue on its strategic agenda. A reflection on the question is more important than ever before, as the model of NATO that EU treaties since Maastricht and Amsterdam have built upon has significantly changed.

## 2. 1991-1999: Enlargement, cooperation and peacemaking

The 1990s were characterised by the early enlargement of NATO. East Germany integrated NATO structures in 1995 after Russian forces withdrew in late summer 1994, and Poland, the Czech Republic and Hungary joined in 1999. In 1994 NATO's Partnership for Peace programme was established, and relations to Russia were revisited in May 1997.

In June 1992 the alliance declared its readiness to support 'on a case-by-case basis [...] peacekeeping activities under the responsibility of the CSCE [the Commission on Security and Cooperation in Europe], including by making available Alliance resources and expertise'<sup>1</sup>. This declaration paved the way for NATO operations outside its members' territories ('out-of-area'), and specifically for operations in the Balkans.

In Article 6 of NATO's founding treaty, the 1949 Washington Treaty, NATO's 'area' is defined as:

- the territory of any of the Parties in Europe or North America,
- the territory of or the Islands under the jurisdiction of any of the Parties in the North Atlantic area north of the Tropic of Cancer,
- any other area in Europe in which occupation forces of any of the Parties were stationed on the date when the Treaty entered into force,
- the Mediterranean Sea or the North Atlantic area north of the Tropic of Cancer.

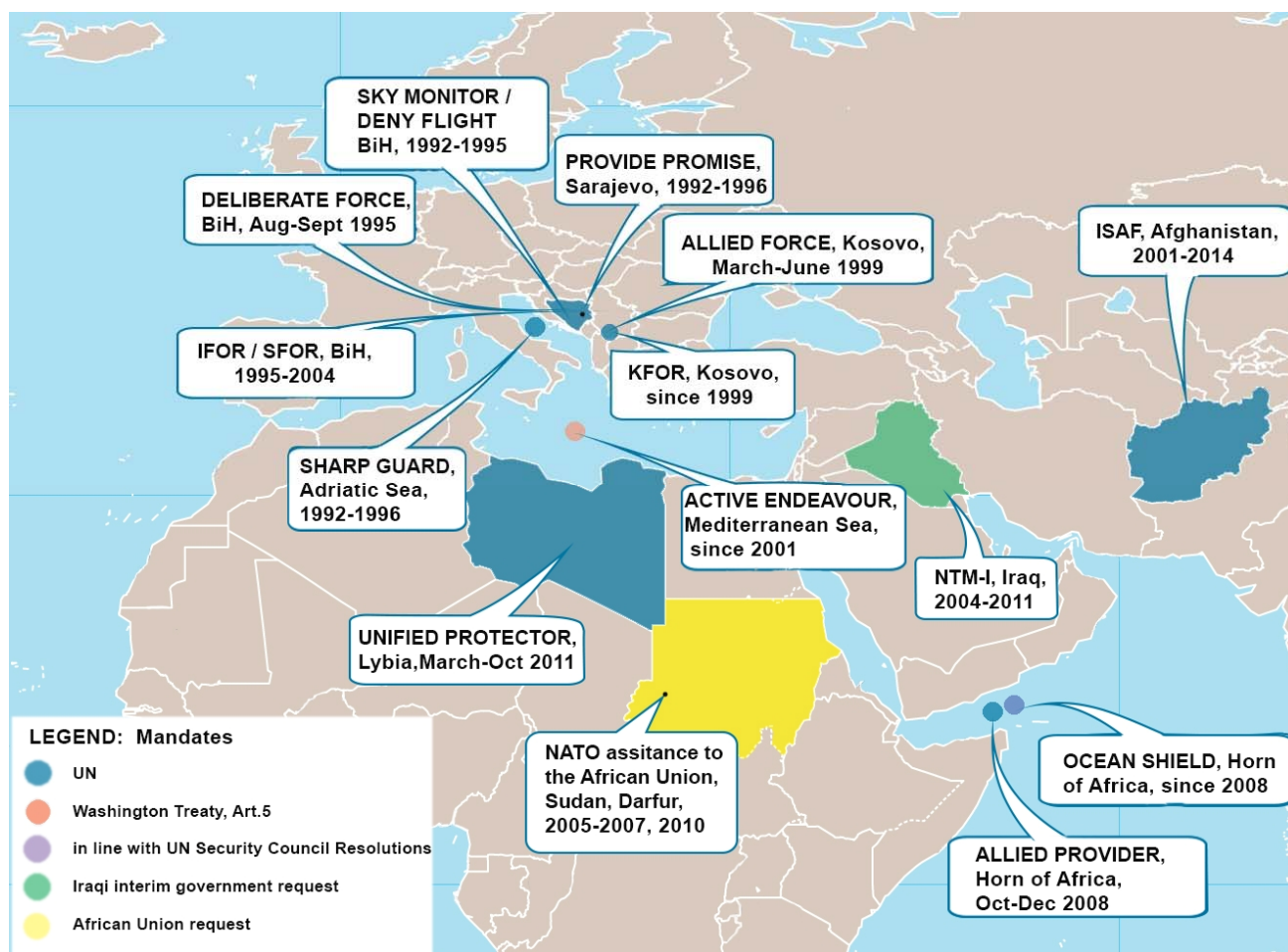
Any operation outside these limits – e.g. operations in the Balkans – are 'out of area'. Figure 1 shows the NATO operations 'out of area' since the end of the Cold War.

In the 1990s, NATO undertook large scale engagements in the Balkans.

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<sup>1</sup> <http://www.nato.int/docu/comm/49-95/c920604a.htm>

**Figure 1:** NATO 'out of area' operations since the end of the Cold War



The first such operations, undertaken under a UN mandate, were 'Provide Promise', the humanitarian relief airlift into Sarajevo, 'Sharp Guard', the naval blockade in the Adriatic, and 'Sky Monitor' / 'Deny Flight', enforcing a no-fly zone over Bosnia and Herzegovina (BiH). All were begun in 1992.

Provide Promise flew 160 000 tons of supplies into Sarajevo and evacuated 1 300 wounded people in close to 13 000 air sorties made by 21 nations over three and a half years.

Under Sharp Guard, close to 75 000 ships were monitored in the Adriatic sea. Almost 6 000 of these were boarded, and 1 500 then inspected in port. A dozen blockade runners carrying arms and military supplies were stopped. The 12 participating navies patrolled for nearly 20 000 sea days and made 14 000 surveillance aircraft sorties over three and a half years.

The Sky Monitor and Deny Flight operations made more than 100 000 sorties, including 27 000 combat sorties, flown by 12 nations' aircrafts over three years.

Operation Deliberate Force followed in August and September 1995 in response to the massacres in Srebrenica and the mortar attacks on Markale in the preceding weeks. This air campaign, with 3 500 sorties on 330 targets, involved 400 aircraft from 15 nations. It enabled the Dayton

peace talks, which ended the war in November of the same year.

One month later, the NATO-led peace Implementation Force (IFOR) deployed the first of its 57 000 troops on the ground, making IFOR the first large-scale allied ground forces operation outside allied nations' territories. IFOR involved 16 NATO and 14 Partnership for Peace nations, including Russia and Ukraine.

The NATO Stabilisation Force (SFOR) replaced IFOR from December 1996, reducing the force strength to 30 000. This was gradually further diminished as the security situation improved in Bosnia and Herzegovina. The force counted 7 000 troops by the end of 2004, when the operation was handed over to the European Union (EUFOR Althea, still running). A total of 26 allied nations – including most new NATO members – participated alongside 12 Partnership for Peace (PfP) and associated nations.

NATO's most recent engagement in the Balkans started in Kosovo in early 1998, when the guerrilla conflict between the security forces of the federal government of the Republic of Yugoslavia and the ethnic Albanian Kosovo Liberation Army (KLA) gained momentum.

After the breakdown of the Rambouillet peace talks, NATO launched the Allied Force air campaign in late March 1999. The campaign ended in June 1999 when the Yugoslav armed forces began to withdraw from Kosovo. Over a period of 78 days, the air campaign made 38 000 sorties, a quarter of them strike sorties, involving 13 NATO nations. This operation was not UN-mandated, and the justification adopted by its supporters – that it was a humanitarian war – yielded many criticisms.

After the end of the air campaign, in mid-June 1999, the first elements of the NATO-led KFOR (Kosovo Force) international peacekeeping force was deployed to Kosovo. Operating under a UN mandate, KFOR had an initial strength of 50 000 troops. Since then, more than 40 nations have contributed to KFOR, with around 5 000 troops currently deployed by 31 nations.

One of the key features of KFOR has been that it has had only European Commanders and only generals from EU Member States (with a single exception of one from Norway)<sup>2</sup>. The same European predominance applies to the force structure: most of the forces are contributed by EU Member States and commanded by Member States' staff officers, with the US being only the second or third biggest provider of forces.

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<sup>2</sup> DE seven times, IT four times, FR three times, ES and UK one time each

**Table 1:**  
NATO operations since the  
end of the Cold War

Operation	Type	Region	Mandate	Period
PROVIDE PROMISE	humanitarian relief airlift	Sarajevo	UN	1992-1996
SKY MONITOR / DENY FLIGHT	no-fly zone enforcement	Bosnia and Herzegovina	UN	1992-1995
DELIBERATE FORCE	air-to-ground campaign	Bosnia and Herzegovina	UN	August-September 1995
IFOR / SFOR	peace implementation / stabilisation force	Bosnia and Herzegovina	UN	1995-2004
ALLIED FORCE	air to ground campaign	Kosovo		March-June 1999
KFOR	peace keeping force	Kosovo	UN	since 1999
ACTIVE ENDEAVOUR	anti terror / WMD proliferation	Mediterranean Sea	Washington Treaty, Article 5	since 2001
ISAF	security assistance force	Afghanistan	UN	2001-2014
ALLIED PROVIDER	protection of the vessels of the world food programme	off the coast at the Horn of Africa	UN	October-December 2008
OCEAN SHIELD	anti piracy operation	off the coast at the Horn of Africa	in line with relevant UN Security Council Resolutions	since 2008
NATO assistance to the African Union	air-lift and training support	Sudan, Darfur	African Union request	2005-2007, 2010
NTM-I	Training mission	Iraq	Iraqi Interim Government request	2004-2011
UNIFIED PROTECTOR	arms embargo, no-fly-zone, actions to protect civilians from attack or the threat of attack	Libya	UN	March-October 2011



NATO's engagement in the Balkans successfully ended the Bosnian and Kosovo wars. Together with the EU, which launched complementary and follow-up actions, NATO brought peace, stability and membership to some of states emerging from the collapse of former Yugoslavia. First Slovenia and then Croatia became NATO and EU members. For the remaining countries, however, full stability, membership in NATO or EU has yet to be achieved.

NATO sees itself as a collective security *and* a political alliance. In the Balkans the organisation successfully played both roles only during and shortly before and after the violent phase of conflicts. Post-conflict, NATO's political role has been geared largely towards preparing the Balkan countries' NATO membership, but it has not developed a more comprehensive, visible political role.

Nonetheless, much of what was anticipated in the alliance's Strategic Concept of 1991 did occur ... in the 1990s. At the dawn of the new millennium:

- The Cold War force strengths and costs were massively reduced, the peace dividend started to materialise, and important advances in arms control were made.
- NATO's enlargement and partnership programmes were well underway and its relation to Russia was put on a new footing.
- NATO had successfully conducted several parallel, large-scale peacemaking and peacekeeping operations out of area.
- European allies were taking more responsibilities and sharing a larger operational burden, with many non-NATO countries contributing to the efforts.

However, NATO-EU cooperation on the ground has not met the ambitions set out in the 1991 Strategic Concept, and it has certainly not fostered a sustainable Europeanisation of the alliance – an objective that both organisations pursue.

### 3. The 1999 Strategic Concept: Pre-empting the transatlantic divide

The 1999 Strategic Concept featured the emerging of a stronger European defence identity, identified new risks and sought to pre-empt a transatlantic divide.

The alliance's 'Strategic Concept' of 24 April 1999<sup>3</sup> confirms what NATO achieved: 'developments in recent years have been generally positive, but uncertainties and risks remain which can develop into acute crises'. The text identifies 'the appearance of complex new risks to Euro-Atlantic peace and stability, including oppression, ethnic conflict, economic distress, the collapse of political order and the proliferation of weapons of mass destruction', and asserts that 'the Alliance does not consider itself to be any country's adversary'.

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<sup>3</sup> Prepared and endorsed under Javier Solana's term as NATO Secretary General

In many aspects, the 1999 document is the logical evolution of the 1991 version. However, there are areas in which it became necessary to expand on the earlier document. The 1999 Strategic Concept:

- adds crisis management and working with partners to the alliance's fundamental security tasks, whilst removing the task of preserving a strategic balance within Europe;
- reiterates the need for a strong transatlantic link and stresses that the 'security of Europe and that of North America are indivisible';
- emphasises the importance of maintain military capabilities – in particular those for crisis management – and the need to preserve NATO's structures and procedures and the willingness 'to act collectively in the common defence';
- underlines the possibility of using NATO forces outside allied territory, describes the notions of rapid deployability and sustainability of forces, and introduces the concept of civil-military cooperation;
- places a greater emphasis – compared to the 1991 concept – on security risks such as terrorism, proliferation of weapons of mass destruction and trafficking of all kinds;
- states that the 'principal non-proliferation goal of the alliance and its members is to prevent proliferation from occurring or, should it occur, to reverse it through diplomatic means' (in this way recalling the 1999 concept, which, in the 'Alliance's Force Posture' chapter, refers to deployable capabilities for dealing with proliferation risks and to missile defence as a remedy);
- links the notion of 'multinational forces' to rapid deployment only (whereas this was still linked in the 1991 concept to both 'collective defence arrangements' and 'reaction forces');
- restricts 'multinational forces' to 'the Allies concerned' (whereas multinational forces in the 1991 concept were 'complementing national commitments to NATO');
- highlights the developing European Security And Defence Identity, which evolved rapidly at the end of the 1990s, while omitting the notion of a 'European Pillar' of NATO (this was still present in the 1991 concept, as the EU's Treaty of Amsterdam, featuring the 'progressive framing of a common defence policy', entered into force just one week after NATO's 1999 Strategic Concept was endorsed);
- privileges the Western European Union (WEU) as partner in defence matters and the European Union (EU) only 'when appropriate' (a distinction effectively rendered moot by the decision of the EU and the WEU, taken at the EU's June 1999 Cologne Summit, to dismantle

the WEU and to integrate it into the EU framework).

The 1999 Strategic Concept tries to preserve the alliance's purpose and unity against the backdrop of the loss of a potential enemy as well as a growing transatlantic divide in military capabilities, geo-political vision and engagement. The unity of the alliance was further challenged by a European defence identity developing outside NATO in the second half of the 1990s. Some of the future challenges identified in the 1999 Concept materialised in the following years, although in a different manner than anticipated in the document.

#### 4. **1999-2009: The War on Terror and the fight against the proliferation of weapons of mass destruction**

The War on Terror, the International Security Assistance Force (ISAF) and the rift among allies over IRAQ meant the alliance was both cold and hot during the decade.

At the dawn of the new millennium NATO was still active in the Balkans with KFOR and SFOR and was preparing to bring new members from eastern and south-eastern Europe and the Balkans on board. From 1999 to early 2001, recurring topics on the agenda of the ministerial meetings of the North Atlantic Council were the Balkans and south-eastern Europe, NATO-EU relations, the security challenges of the 21st century, defence capabilities, relations with Russia and Ukraine, enlargement and missile defence<sup>4</sup>.

After the terrorists attack in New York in September 2001, the North Atlantic Council agreed for the first and only time in NATO history 'that, if it was determined that the attack was directed from abroad, it should be regarded as being covered by Article 5 of the Washington Treaty in other words that this attack on the United States was an attack upon all the Allies'<sup>5</sup>.

As a first reaction, NATO launched the Active Endeavour naval operation in the Mediterranean. Since October 2001, this operation has focused on detecting and deterring terrorist activity and on preventing the movement of terrorists or weapons of mass destruction. A total of 15 NATO and 5 non-NATO navies have participated so far. Built on NATO's two standing maritime groups, Active Endeavour has monitored more than 100 000 ship movements, escorted 480 ships and boarded 100 ships. The operation is still running.

The bulk of the activities of the fight against terrorism in Afghanistan from October 2001 (Operation Enduring Freedom<sup>6</sup>) and in Iraq from March 2003 (Operation Iraqi Freedom<sup>7</sup>) have been commanded by the United States Central Command in Tampa/Florida, rather than by the NATO command structure. Enduring Freedom is still running and has included

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<sup>4</sup> <http://www.nato.int/docu/comm.htm>

<sup>5</sup> <http://www.nato.int/docu/speech/2001/s010926a.htm>

<sup>6</sup> <http://www.centcom.mil/en/countries/coalition/>

<sup>7</sup> <http://www.centcom.mil/iraq/>

activities in the Horn of Africa and the Philippines since 2002, and in the Sahel region since 2012. Operation Iraqi Freedom, which ended in December 2011, involved about 40 countries providing 300 000 invasion troops and as many as 176 000 stabilisation troops.

In December 2001 the UN Security Council mandated the International Security Assistance Force (ISAF)<sup>8</sup> to oversee security in Afghanistan and to train the country's national army. Initially, ISAF secured only the Kabul area, whereas combat in the rest of the country was conducted under Enduring Freedom.

From 2001 to 2003, ISAF was commanded by a single lead nation, which also provided the majority of the security assistance forces on a rotating basis, with a change in command every 6 months. In August 2003 NATO took over the leadership of ISAF and still assumes it today. A single commander – with a US general in this dual (NATO/US) function – has overseen ISAF since June 2008 and the US troops in Afghanistan (under Operation Enduring Freedom) since October 2008. ISAF is running 2014, with so far 49 participating nations providing more than 110 000 troops. It will end in 2014.

During the Iraq crisis, the alliance entered a major crisis. In February 2003, the US, supported by the UK, endeavoured to obtain a UN mandate for an intervention in Iraq. Two other NATO allies, France and Germany, objected to such a mandate in the UN Security Council. In preparing for the invasion of Iraq by the US-led coalition of those states willing to participate, NATO intended to deploy – *inter alia* – Patriot surface-to-air missiles to Turkey. This was initially vetoed by France, Belgium and Germany, although a short deployment did eventually take place<sup>9</sup>.

In the second half of the 2000s, NATO launched two further operations. The first was the air-lift and training support to the African Union Mission in Sudan (AMIS)<sup>10</sup> from June 2005 to December 2007. NATO coordinated the transport of 31 500 AMIS troops and personnel, of which 5 000 were

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<sup>8</sup> <http://www.isaf.nato.int/>

<sup>9</sup> [http://www.nato.int/cps/en/natolive/official\\_texts\\_20285.htm](http://www.nato.int/cps/en/natolive/official_texts_20285.htm)

[http://www.nato.int/cps/en/natolive/official\\_texts\\_20291.htm](http://www.nato.int/cps/en/natolive/official_texts_20291.htm)

<sup>10</sup> [http://www.nato.int/cps/en/natolive/topics\\_49194.htm](http://www.nato.int/cps/en/natolive/topics_49194.htm)

<sup>11</sup> <http://www.mc.nato.int/ops/Pages/OOS.aspx>

<sup>12</sup> [http://eeas.europa.eu/piracy/containing\\_piracy\\_en.htm](http://eeas.europa.eu/piracy/containing_piracy_en.htm)

<sup>13</sup> [http://www.arrrc.nato.int/training\\_mission\\_iraq.aspx](http://www.arrrc.nato.int/training_mission_iraq.aspx)

<sup>14</sup> [http://www.nato.int/cps/en/natolive/topics\\_49755.htm](http://www.nato.int/cps/en/natolive/topics_49755.htm)

<sup>15</sup> <http://www.jfcbs.nato.int/jfcbrunssum/operations/nato-response-force/history-in-brief.aspx>

<sup>16</sup> [http://www.nato.int/cps/en/natolive/topics\\_49635.htm](http://www.nato.int/cps/en/natolive/topics_49635.htm)

<sup>17</sup> <http://bmd.ncia.nato.int/Pages/default.aspx>

<sup>18</sup> [http://www.nato.int/cps/en/natolive/topics\\_48892.htm](http://www.nato.int/cps/en/natolive/topics_48892.htm)

<sup>19</sup> [http://www.nato.int/cps/en/natolive/topics\\_50106.htm](http://www.nato.int/cps/en/natolive/topics_50106.htm)

<sup>20</sup> [http://www.nato.int/cps/en/natolive/topics\\_50105.htm](http://www.nato.int/cps/en/natolive/topics_50105.htm)

<sup>21</sup> <http://www.aco.nato.int/page142085426.aspx>

moved by Allies directly. The second was Operation Ocean Shield<sup>11</sup>, which took place off the Horn of Africa in August 2009 and complemented the EU Operation Atalanta<sup>12</sup> by focusing on at-sea counter-piracy operations. Ocean Shield is still running, with mainly US and UK units, complementing contributions from a further 13 NATO and 14 non-NATO nations. NATO also conducted a training mission in Iraq (NTM-I)<sup>13</sup> from 2004 until 2011, helping to develop the training structures and institutions of Iraqi security forces.

In September 2002 the establishment of a NATO response force (NRF) was proposed as a 'coherent, high-readiness, joint, multinational force package' which would be 'technologically advanced, flexible, deployable, interoperable and sustainable'<sup>14</sup>. The full operational capability of the corps-sized NRF (25 000 troops, commanded by a lieutenant general) was declared in November 2006. Forces are provided by NATO members on a rotating base.

Once activated, the force should be able to sustain an operation of up to 30 days. While the NRF has not yet been used to that extent, force elements from the NRF have been involved in the Athens Olympic Games in 2004, the Afghan Elections in 2004 and humanitarian relief in Pakistan in 2005<sup>15</sup>. The NRF's chief tasks are:

- contributing to the preservation of territorial integrity, to the protection of critical infrastructure and to security operations;
- conducting embargo, peace support and disaster relief operations;
- demonstrating force and serving as an initial entry force (i.e. preceding a larger force).

The NRF is also instrumental in improving the interoperability among NATO nations on the battlefield, and in supporting the creation of modern, versatile and deployable forces. During the decade, NATO launched several major defence initiatives:

- Ballistic missile defence (BMD)<sup>16</sup>. After initial studies were undertaken in 2001, the Active Layered Theatre Ballistic Missile Defence (ALTBMD) programme was launched in September 2005 to develop a missile defence capability to protect deployed forces<sup>17</sup>. NATO's BMD capability gradually became operational in 2010.
- The Allied Ground Surveillance (AGS) system. The alliance had planned to acquire 'a minimum essential NATO-owned and operated AGS core capability, supplemented by interoperable national assets' as early as the 1990s<sup>18</sup>. However, serious work on the AGS started in only 2001, and the memorandum of understanding for the programme was only signed in 2009. The AGS is planned to become operational by 2017.
- Airlift capabilities. NATO significantly improved the alliance's airlift capabilities through two initiatives:

- the Strategic Airlift Interim Solution (SALIS)<sup>19</sup>, in place since 2003, which builds on two, permanently rented An-124-100 transport aircraft, capable of carrying a payload of 150 tonnes;
- the Strategic Airlift Capability (SAC)<sup>20</sup>, in place since 2006, which builds on three C-17 airlifters, capable of carrying a payload of 77 tonnes.
- By the end of the first decade of the 21st century, NATO had conducted two major long-term land operations in Kosovo and Afghanistan, two smaller long-term naval operations in the Mediterranean and off the Horn of Africa, and one smaller support operation in Darfur. The organisation has also conducted activities within its collective defence efforts, including notably air policing since March 2004<sup>21</sup> (over the Baltic States, Slovenia and Albania) and the NRF since 2002. BMD, AGS, SALIS and SAC have addressed shortfalls in major capability identified in the previous decade. A total of nine new members joined NATO: Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia in 2004, followed by Albania and Croatia in 2009. That same year France returned to full NATO membership.

## 5. The 2010 Strategic Concept: A leaner NATO in a globalised world

A new Strategic Concept was developed for times of austerity.

The Strategic Concept adopted at the Lisbon summit in November 2010<sup>22</sup> and the decision to restructure NATO taken at the Strasbourg / Kehl Summit in April 2009 mark a significant turn towards a leaner NATO. The preface of the Strategic Concept underlines changes and new features:

- collective defence against new threats to the safety of the citizens,
- crisis management, post-conflict stabilisation and cooperation with key partners – identified as the UN and the EU,
- political engagement and burden sharing with partners around the world.
- The Concept also confirms nuclear disarmament, enlargement and NATO's own transformation and reform as strategic objectives for the alliance.
- The 2010 document focuses on cyber and energy security, access to the Global Commons and technological developments that could impede the use of surveillance and communications capabilities or access to space.
- The Concept confirms NATO's defence and deterrence posture, including its nuclear deterrence and ballistic missile defence. In the

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<sup>22</sup> Prepared and endorsed under Anders Fogh Rasmussen's term as NATO Secretary General

chapter on 'emerging security challenges', NATO's collective defence portfolio is expanded with the addition of capabilities in cyber defence, critical infrastructure protection, energy security and the fight against international terrorism.

- The 2010 Strategic Concept emphasises security through crisis management, including through crisis prevention, post-conflict stabilisation and support for reconstruction. It reflects a more advanced understanding of NATO's contribution to a comprehensive political, civilian and military approach in internationally collaborative crisis management. This involves improving the gathering and sharing of intelligence, the development of a civilian NATO crisis management capability and integrated civil-military planning.
- The Concept features arms control and disarmament, the 'open door' policy (regarding NATO's enlargement), worldwide partnerships and the relationships with the UN, the EU and Russia.
- Reforming and transforming NATO remain key strategic objectives of the alliance. The Strategic Concept stresses the deployability and operational sustainability of forces, joint and common capabilities and modernising capabilities.

Under the new Concept, the command and control structure will be streamlined, moving from the 16 headquarters and 20 000 staff the organisation counted in the 1990s to 7 headquarters and 8 800 staff after 2010 (see Table 1 below). About 2 000 staff serve in the AWACS<sup>23</sup> and future AGS units, while additional staff provide essential deployable communications capabilities. Only some margin remains for further downsizing without a loss of capability.

**Table 2:**

Downsizing NATO headquarters and staff since the end of the Cold War

	Headquarters	Staff
<b>Until 1999</b>	16	20 000
<b>1999-2003</b>	16	16 000
<b>2004-2010</b>	11	13 000
<b>Since 2010</b>	7	8 800

Source: NATO<sup>24</sup>

<sup>23</sup> Airborne Warning and Control System

<sup>24</sup> [http://www.nato.int/cps/en/natolive/topics\\_49608.htm](http://www.nato.int/cps/en/natolive/topics_49608.htm)

## 6. The new decade: Transformation and the end of the 'free ride'

US pivot to Asia, the free ride and Libya - the new decade starts like the old one.

In March 2011 NATO started its operation Unified Protector, the UN-mandated intervention in Libya. France and the UK took the lead and acted outside NATO for a short initial period, with significant US support<sup>25</sup>. As the coalition grew and the US did not take the lead, only NATO had the necessary command and control capability to conduct such a major operation. The NATO-led coalition's Unified Protector operation, comprising 14 NATO members and 4 other countries, ended in October 2011.

Since January 2013, NATO has deployed airborne early warning, theatre ballistic missile and air defence capabilities at the Syrian-Turkish border to prevent a spillover of the Syrian civil war into Turkey<sup>26</sup>.

In a well-known speech delivered in June 2011, the then-US Secretary of Defence Robert Gates identified four major issues that the alliance had to address in the future<sup>27</sup>:

- the post-ISAF transition in Afghanistan,
- NATO's serious capability gaps,
- NATO's institutional shortcomings (which, like the organisation's capability gaps, had been identified through Operation Unified Protector),
- the balance between the US and European engagement in NATO – often referred to as a 'the end of the free ride'.

Gates underlined the political and military necessity of 'fixing these shortcomings if the transatlantic security alliance is going to be viable going forward'.

A year later, at the Chicago Summit May 2012, the allies confirmed they would continue their engagement in Afghanistan in a post-ISAF mission<sup>28</sup> and launched, *inter alia*, the Smart Defence and Connected Forces initiatives to improve capabilities<sup>29</sup>.

Usually cited as examples for Smart Defence are strategic airlift (SALIS and SAC), reconnaissance and surveillance (AWCS and AGS) and logistics (MCCE<sup>30</sup> and MLCC<sup>31</sup>), as well as defence-specific arrangements such as the Franco-British defence agreement or the Dutch-Belgian naval cooperation.

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<sup>25</sup> <http://www.defenceviewpoints.co.uk/military-operations/reflections-on-op-unified-protector>

<sup>26</sup> [http://www.nato.int/cps/en/natolive/topics\\_92140.htm](http://www.nato.int/cps/en/natolive/topics_92140.htm)

<sup>27</sup> <http://www.defense.gov/speeches/speech.aspx?speechid=1581>

<sup>28</sup> [http://www.nato.int/cps/en/natolive/official\\_texts\\_87595.htm](http://www.nato.int/cps/en/natolive/official_texts_87595.htm)

<sup>29</sup> [http://www.nato.int/cps/en/natolive/official\\_texts\\_87594.htm](http://www.nato.int/cps/en/natolive/official_texts_87594.htm)

<sup>30</sup> Movement Coordination Centre Europe, <https://www.mcce-mil.com/Pages/default.aspx>

<sup>31</sup> Multinational Logistics Coordination Centre, <http://www.mlcc-home.cz/index.html>



There is, however, 'no shortage of valid reasons, why Smart Defence can ultimately be expected not to deliver its promises'<sup>32</sup>. This fear is nourished by the facts that many Smart Defence initiatives are not new and have not demonstrated significant cost improvements. Such cost improvements, with are essential for freeing resources to further transform the armed forces and adapt them to the challenges ahead.

The Connected Forces Initiative (CFI) aims at coping with the expected reduction in experience from operational engagements once a majority of forces will have withdrawn from Afghanistan after 2014. The key objective is to maintain a high level of operational preparedness, capability and interoperability through 'expanded education and training, increased exercises and the better use of technology'<sup>33</sup>. An essential element of the CFI will be the participation of the newly created NATO Special Operations Headquarters<sup>34</sup> (located at the Supreme Headquarters Allied Powers Europe [SHAPE] in Mons, Belgium) in the NATO Response Force.

NATO issued a 'Deterrence and Defence Posture Review'<sup>35</sup> of the organisation's conventional forces at the Chicago Summit. The review made the following clarifications:

- declared that 'the bulk of the conventional capabilities that [...] will be available in the future for alliance operations are provided by the Allies individually' (requiring the allies to 'provide adequate resources for their military forces', and continues that such forces need to have 'the required characteristics, notwithstanding [...] financial difficulties');
- called for 'a new conceptual approach, one that places a premium on the identification and pursuit of priorities, multinational cooperation, and specialisation as appropriate, and on increased efforts to ensure that the Allies [...] are interoperable';
- stated that it would be important for 'NATO and the European Union to cooperate more fully in capability development as agreed, to avoid unnecessary duplication and maximise cost-effectiveness'.

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<sup>32</sup> Henius, J., and McDonald, J. L.; Smart Defence: A Critical Appraisal, p. 24; Nato Defense College, Rome, 2012

<sup>33</sup> [http://www.nato.int/cps/en/natolive/topics\\_98527.htm](http://www.nato.int/cps/en/natolive/topics_98527.htm)

<sup>34</sup> <http://www.nshq.nato.int/nshq/>

<sup>35</sup> [http://www.nato.int/cps/en/natolive/official\\_texts\\_87597.htm](http://www.nato.int/cps/en/natolive/official_texts_87597.htm)

## 7. Quo vadis, NATO?

Today, many voice concerns about the future of NATO and about European defence in general. Most European NATO allies do not invest 2 % of their GDP in defence. And even in those countries that do, the capabilities yielded may not meet future requirements — aircraft carriers and air defence frigates to fight pirates, terrorists and cyber threats — but may instead lead to 'opera' armed forces (in which troops engage in performances, but little action) with the bulk of defence spending going for personnel and the maintenance of obsolete material.

Table 3 shows the defence expenditure of all European NATO members from 1970 to 2010 in constant 2005 USD<sup>36</sup>. From the 1967 adoption of the 'flexible response' Strategic Concept (which anticipated that aggression would be met with both conventional and nuclear responses) to the fall of the Berlin wall, expenditures doubled. Since then, the defence expenditures of European NATO members have remained stable – between 258 and 275 billion 2005 USD – with most investments in conventional forces. The 'peace dividend', calculated from 1990 to 2010, can thus be calculated as 15 % of defence expenditures.

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**Table 3:**  
European NATO allies'  
defence expenditures, 1970-  
2010, USD billion  
(five-year averages in 2005  
constant USD, starting with  
the year indicated)

1970	1975	1980	1985	1990	1995	2000	2005	2010
130	200	248	271	275	233	247	250	241

Source: NATO<sup>38</sup>

In the early 1970s, the expenditures of France, Germany, Italy, the Netherlands and the United Kingdom amounted to almost 90 % of the total European NATO defence expenditure. This share was reduced to approximately 75 % by 2010, due in part to the enlargement of NATO and in part to the retiring of cold war capabilities, including those for nuclear

<sup>36</sup> [http://www.nato.int/cps/en/natolive/topics\\_49198.htm](http://www.nato.int/cps/en/natolive/topics_49198.htm)

<sup>37</sup> [http://www.nato.int/cps/en/natolive/topics\\_49198.htm](http://www.nato.int/cps/en/natolive/topics_49198.htm)

<sup>38</sup> [http://www.nato.int/cps/en/natolive/topics\\_49608.htm](http://www.nato.int/cps/en/natolive/topics_49608.htm)

deterrence.

Thus, Europe's overall defence expenditure has decreased by 15 % since the end of the Cold War. Those countries that had previously been the major European investors in collective defence continue to shoulder a large part of the burden. However, many new NATO members have entered the picture, contributing their capabilities and investments. Some of these new members — notably Spain and Poland — now contribute more than do older members.

Yet nonetheless, no single European NATO ally would be able to sustain a demanding campaign alone — or even in conjunction with a small group of allies — without recourse to NATO and US capabilities.

Table 3 might hint at a possible answer to this shortfall. As the figures demonstrate, certain countries have substantially shifted their types of defence expenditure — on equipment, infrastructure, personnel and other (operations, maintenance and other R&D expenditure not linked to equipment, infrastructure or personnel, as well as additional types of expenditures not allocated elsewhere). But the shifts have varied significantly among countries, with no common pattern.

**Table 4:**

Change in balance of shares of defence expenditure categories, in percentage points (2005-2009 average compared to 1975-1979, with the 2005-2009 averages given in parentheses).

	Equipment	Infrastructure	Personnel	Other*
<b>DE</b>	-1 (16)	-2 (4)	+5 (55)	-2 (25)
<b>ES (from 1990)</b>	+9 (21)	+2 (2)	-10 (55)	+1 (22)
<b>FR (from 2000)</b>	+2 (23)	0 (4)	-2 (56)	0 (17)
<b>IT</b>	-4 (11)	+1 (1)	+13 (75)	-8 (13)
<b>NL</b>	0 (18)	0 (3)	-12 (49)	+12 (30)
<b>UK</b>	0 (22)	0 (2)	-6 (39)	+6 (37)

*Example: The equipment expenditure share of Germany (DE) was 16 % on average during 2005-2009; this was a drop of 1 percentage point from 1975-1979 (17 %).*

Source: NATO<sup>39</sup>

The overall picture painted by the expenditures in Table 3 is far from coherent. The investment decisions made by six key NATO allies in response to the end of the Cold War and changes in the global security situation reveal neither a common vision nor a common approach. And

<sup>39</sup> [http://www.nato.int/cps/en/natolive/topics\\_49608.htm](http://www.nato.int/cps/en/natolive/topics_49608.htm)

this despite the fact that strategic analysis has been shared since 4 April 1949.

Given the divergence of these countries, it is unlikely that NATO's future Strategic Concepts will have anything but a marginal influence on member states' defence investments. Defence expenditures will be largely driven by purely national considerations, even if some decisions may use NATO's strategic guidance as justification or reference.

NATO's Strategic Concept will continue to evolve and to drive the changes of the organisation as an international coalition and a 'service provider' for capabilities. The documents may well lead NATO to become smarter, but they may not contribute to a smarter and more collective defence. Given the changes envisaged in NATO's structures and the significant reductions in staff programmed in the latest strategic review, NATO will have to work hard to find its new balance. And it will have to do so soon.

In the domain of operations, the post-ISAF missions, KFOR and Ocean Shield will remain active for the foreseeable future, and support to AMIS may increase. Collective defence will mainly focus on cyber and missile defence.

NATO will advance. So will the EU. It would be best they did so in tandem.

ISAF has been an active, deployed, high-demand operation. As it ends, members' participation in the NATO Response Force will represent one of the chief ways of preserving readiness, as well as improving the interoperability and connectivity of NATO forces. The command and control structures will become much leaner, requiring NATO to concentrate on essential tasks and capabilities.

NATO's enlargement will continue, even when the necessary (political) conditions are not met. Partnerships with Russia and Ukraine, as well as with countries participating in the Mediterranean Dialogue<sup>40</sup> and in the Istanbul Cooperation Initiative<sup>41</sup>, will continue.

The US 'pivot' to the Asia/Pacific region could be seen as a way of leaving European regional security issues to the Europeans, supporting them principally through arrangements in the NATO framework. The US will continue to lead with words, but not necessarily with means. Managing European security in such circumstances will require the European NATO allies to converge and adopt a more common position – a true challenge.

Cooperation with the EU will also prove a key aspect of NATO's future. NATO has handed over one operation to the EU (in Bosnia and Herzegovina) and cooperates with EU missions and operations in Kosovo, Afghanistan and the Horn of Africa. However, a common comprehensive approach to European, Euro-Atlantic and international security is still lacking. For NATO, such an approach may be necessary to prevent a

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<sup>40</sup> [http://www.nato.int/cps/en/natolive/topics\\_52927.htm](http://www.nato.int/cps/en/natolive/topics_52927.htm)

<sup>41</sup> [http://www.nato.int/cps/en/natolive/topics\\_52956.htm](http://www.nato.int/cps/en/natolive/topics_52956.htm)

growing Atlantic divide in the alliance. For the EU, developing the relationship with NATO is a treaty requirement, endorsed by all EU Member States, and enshrined in Article 42 of the Treaty on European Union.

In a globalised world and in times of financial austerity, the credibility of the EU and NATO also depends on their meaningful and mutually supportive cooperation. There is no 'either - or' today. Both the EU and NATO should ensure that public opinion does not one day demand 'neither - nor'.