



Transforming NATO (...again)

A PRIMER FOR THE NATO SUMMIT IN RIGA 2006

November 2006

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The Center for Strategic and International Studies (CSIS) seeks to advance global security and prosperity in an era of economic and political transformation by providing strategic insights and practical policy solutions to decisionmakers. CSIS serves as a strategic planning partner for the government by conducting research and analysis and developing policy initiatives that look into the future and anticipate change.

Founded in 1962 by David M. Abshire and Admiral Arleigh Burke, CSIS is a bipartisan, nonprofit organization headquartered in Washington, D.C., with more than 220 full-time staff and a large network of affiliated experts. Former U.S. senator Sam Nunn became chairman of the CSIS Board of Trustees in 1999, and John J. Hamre has led CSIS as its president and chief executive officer since 2000.

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The Clingendael Centre for Strategic Studies (CCSS) is a joint venture between the Netherlands Institute of International Relations (Clingendael) and the Netherlands Organization for Applied Scientific Research (TNO). It provides strategic-level analysis to public and private decisionmakers in the fields of defense and security.

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Foreword

The 2006 NATO Summit in Riga, Latvia was originally billed as the “transformation summit” – the Summit at which the leaders of all 26 NATO nations would come together to chart a course for adapting the Alliance, politically and militarily, to the new realities of the 21st century security environment.

But in the months leading up to the Summit, a number of factors have intervened to lower expectations for and shift the focus of the Summit. Internally, some member states remain deeply divided over NATO’s post-Cold War purpose and the extent and nature of the Alliance’s roles and missions beyond Europe. In addition, a degree of enlargement fatigue has set in, slowing the pace at which the Alliance will absorb additional members. Externally, NATO now finds itself engaged in the most substantial and consequential military operations it has ever conducted. Current operations in Afghanistan have rightly consumed an enormous amount of the Alliance’s energy and will likely dominate much of the discussion in Riga, though improving the situation there will require more than military solutions. Indeed, NATO’s mission in Afghanistan is becoming the primary indicator of the Alliance’s ability to tackle the kind of challenges that will likely define the 21st century.

Beyond this understandable focus on Afghanistan, NATO will use the Riga Summit to launch and strengthen a number of capability initiatives aimed at better preparing its forces for future missions. These initiatives will cover a range of areas from new and much needed common asset programs to exploring deeper cooperation on ballistic missile defense to a special operations forces initiative. These efforts should be applauded, but the real challenge will come after the Summit when it comes time to turn paper promises into concrete actions and investments. In the past, NATO members have made myriad summit pledges that they have subsequently failed to meet. This time around, NATO must identify innovative and realistic ways for members to bridge the gap between ambition and capabilities.

Equally clear, however, is that a number of critical strategic issues will not be on the summit agenda. The future of the EU-NATO relationship, NATO’s relationship with Russia, and many of the toughest issues associated with NATO’s ongoing military transformation will likely receive only polite nods rather than in-depth consideration in Riga.

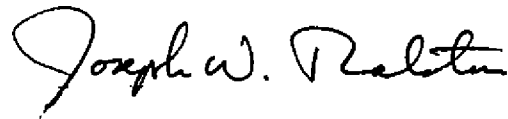
Nevertheless, all of these issues have the potential to significantly shape NATO’s future and determine its relevance and success. As such, NATO should make these three areas, along with common funding and stabilization and reconstruction capabilities, the core of its next summit agenda in 2008 or 2009. If the Alliance wants to remain effective it will need to return its attention to its original, more ambitious set of political and military reforms in preparation for its next summit. This should include mandating the drafting of a new, truly comprehensive Strategic Concept for its 2009 Summit.

This document was produced to provide a guide to the issues and decisions being considered in Riga, as well as those that will have to await another day. Fittingly, it is the product of a strong transatlantic collaboration among three research institutions: the Center for Strategic and International Studies (CSIS) in Washington, D.C., the Norwegian Institute for Defence Studies (IFS) in Oslo, and TNO Defence, Security, and Safety in The Hague.

Taking action on the recommendations contained in this report is critical to NATO's transformation and relevance in the future. Those not addressed in Riga should define the agenda for the next summit. Leaving too many questions about NATO's purpose and planning priorities unaddressed for too long risks leaving the Alliance susceptible to stagnation and fractious internal bickering. In a volatile security environment that presents unprecedented challenges to the Euro-Atlantic community, NATO will play an increasingly important role. Seen in this light, NATO's continued political and military transformation is essential.



General Klaus Naumann
Former Chief of Defense, Germany
& Former Chairman, NATO Military Committee



General Joseph Ralston
Former Vice Chairman, U.S. Joint Chiefs of Staff
& Former Supreme Allied Commander, Europe

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This NATO Summit Primer is the product of a true transatlantic partnership. A small and committed team of researchers from the Center for Strategic and International Studies (CSIS) in Washington, D.C. was joined by the Norwegian Institute for Defense Studies in Oslo and TNO Defence, Security, and Safety in The Hague to examine NATO's ongoing political and military transformation in light of the Alliance's November 2006 summit in Riga, Latvia. Believing that NATO's future rests on an overarching transatlantic consensus on the Alliance's future roles and missions, these three organizations joined hands to make concrete recommendations for NATO's next two summits in 2008 and 2009.

This study began in March of 2006 and builds on many of the recommendations in the CSIS report, "*European Defense Integration: Bridging the Gap between Strategy and Capabilities*," which was published in October 2005. Julianne Smith led the NATO Summit Primer project, working closely with her CSIS colleague, Michèle Flournoy; Rolf Tamnes and Svein Melby in Oslo; and Stephan De Spiegeleire in The Hague.

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Executive Summary

NATO's 26 members will meet in Riga, Latvia this November for what some are calling the "introverted" summit. NATO summits are often used to launch major initiatives or welcome new members into the fold. The Riga Summit, however, will break from that tradition and allow NATO allies to take stock of the Alliance's ongoing political and military transformation while focusing on the current mission in Afghanistan. A handful of small but important capability initiatives will be launched, including the acquisition of common assets and a new program for special operation forces. Deep political divisions, however, will prevent the Alliance from making comparable progress on its overarching strategic direction. If NATO wants to advance its transformation agenda, however, it will need to resolve fundamental questions about its future roles and missions. Major developments concerning enlargement, partnerships, training, capabilities, and coordination with other organizations will only be possible when NATO allies reach consensus on the Alliance's purpose in today's complex security environment.

Political Transformation

The term transformation is often associated with efforts to prepare forces for new missions – in NATO's case, expeditionary operations. While NATO will use its Riga Summit to launch and strengthen a number of capability initiatives aimed at preparing its forces for future missions, it will also focus on the Alliance's ongoing *political* transformation. Initially, the Riga Summit was slated to unveil a list of ambitious political reforms tied to NATO Headquarters. It now appears Riga will focus on three core areas: endorsing the Comprehensive Political Guidance, committing NATO to future rounds of enlargement, and committing the Alliance to building and strengthening global partnerships (along with a possible tasking to look into the feasibility of creating a new training initiative). While the value of these initiatives should not be underestimated, NATO will need to return to its original, more ambitious list of reforms in preparation for its next summit if it wants to preserve its viability as an effective and relevant alliance.

Comprehensive Political Guidance

At the center of Riga's political agenda sits the Comprehensive Political Guidance (CPG), which will be endorsed by Heads of State and Government in November. This document aims to outline a framework and political direction for NATO's continuing transformation, but it fails to provide NATO members with the guidance they need to meet future challenges. As a result, NATO should aim to rewrite its Strategic Concept for its 60th anniversary summit in 2009.

NATO Enlargement and Partnerships

Since 1999, NATO summits have always included announcements or initiatives tied to enlargement. In that regard, the Riga Summit will likely be different. Political and popular skepticism about the value of further enlargement, the slow pace of reforms, and

deteriorating security situations have damaged various aspirants' cases, as has a general "absorption fatigue" among current NATO members. NATO will be careful not to close any doors but the possibility of issuing invitations even to the Adriatic Charter nations (certainly the most favored for membership at the moment) seems to have dissipated. Before its next summit in 2008, NATO should foster real debate about universal membership standards and goals while maintaining its Open Door Policy.

Regarding partnerships, all NATO members recognize the enormous contributions that non-NATO allies have made to alliance operations in recent years. The presence of Australian, New Zealand, and Japanese soldiers in Afghanistan is one positive example of such cooperation. What NATO cannot seem to agree on is the best way to reward and further strengthen the Allies' relationship with these and other like-minded countries. In Riga, NATO communiqués will likely stress the importance of expanding cooperation with partner countries without committing NATO or the partner countries to any concrete initiative. In the next two years, NATO should undertake a full audit of existing partnership programs, ensure that all players understand the fundamental objectives, and seek to improve coordination among various partnership programs. NATO should not risk diluting the much-desired label of "NATO partner" with partnerships that are heavy on rhetoric and short on substance.

Military Transformation

Despite NATO's ongoing struggle to reach consensus on its role in today's global security environment, the Alliance has succeeded in launching a number of new capability initiatives over the last 10 to 15 years. The Riga Summit will continue that tradition by formally declaring the NATO Response Force (NRF) operational, announcing two much-needed common asset programs, launching a new program for special operations forces, and tasking the Alliance to further investigate ballistic missile defense (BMD) cooperation among NATO members. It is possible that the summit will also suggest that NATO consider developing special capabilities for stabilization and reconstruction operations.

Like any effort tied to military capabilities, however, the challenge will come in turning many of these paper promises into concrete action. In the past, NATO members have made a number of rhetorical commitments that they then have failed to meet. Therefore, in the years ahead, NATO will need to identify innovative ways for members to bridge the gap between ambition and capabilities. Some of the best ways to do so include addressing funding approaches (e.g., "costs lie where they fall") that disincentivize participation, resolving NATO's broader strategic debate about why such capabilities are required and helping members identify ways to spend what limited resources they have more wisely.

Current Operations

Beyond transformation, the Riga Summit will focus heavily on NATO's current operations. First and foremost, NATO's ongoing mission in Afghanistan will serve as an

indicator of the Alliance's viability and effectiveness in tackling 21st century challenges. NATO members will need to determine whether or not they have the political will to commit the capabilities the mission requires. Kosovo and Darfur may also appear in the final summit documents, although it is doubtful that any new developments regarding these two missions will be unveiled.

Afghanistan

The future of NATO ultimately hangs on a successful mission in Afghanistan. Consequently, the most essential question to address at the Riga Summit is whether or not NATO can muster the will and capabilities to stay the course. A positive outcome for the Alliance would be revitalized unity and tangible improvement in resources, interoperability, and civil-military cooperation on the ground in Afghanistan.

The Alliance should use the Riga Summit to reaffirm its commitment to International Security Assistance Forces (ISAF) and show the Afghans that it will commit the necessary capabilities and resources to succeed. After the Summit, NATO allies will need to define ISAF's role in security sector reform and agree on how to balance reconstruction and security objectives. NATO also needs to resolve the poppy eradication debate. While Afghanistan's future is tied to its ability to eliminate drug production, NATO's role in these efforts should be limited. NATO allies should, however, investigate ways other instruments and organizations can help Afghanistan with this complex and long-term challenge.

Kosovo

When NATO leaders gather in Riga, they will inevitably discuss the future of NATO's Kosovo Force (KFOR). Kosovo is at a critical juncture. A general consensus has emerged that the status quo is untenable because the political ambiguity is fostering crime, corruption, radicalism, emigration, and a weakening of Kosovo's institutions. Consequently, NATO should use the Riga Summit to reaffirm its commitment to Kosovo while recognizing that the nature of the conflict has changed. Security threats increasingly have intrastate rather than interstate origins. Therefore, future peacekeeping and peace building functions will have to focus on issues of sustainable development, governance, and rebuilding institutions. While it is unlikely the Riga Summit will produce meaningful new initiatives on Kosovo, it should nonetheless be a first step in mapping out NATO's future posture in the event of an independent Kosovo.

The Next NATO Summit

Just as compelling as what is on the agenda at NATO's Riga Summit will be what is left off. The EU-NATO relationship, for example, will not feature prominently in any of the Summit proceedings, partly because the tensions surrounding that relationship remain so high and neither the EU nor NATO appears to have fresh ideas for how to address them. Similarly, and almost ironically, many of the toughest issues associated with NATO's military transformation – Allied Command Transformation, transformation concepts, and

defense planning – will also be left off the Summit agenda. Finally, because non-NATO members were not invited to this summit, the NATO-Russia relationship will not play a major role in Riga. All of these issues, however, have the potential to significantly shape NATO's future success. As such, NATO should make these three areas the centerpiece of its next summit agenda in 2008 or 2009.

NATO-EU Relations

Most members of these two organizations agree that the relationship is plagued by mistrust, unhealthy competition, and information sharing problems, but neither NATO nor the EU has stepped forward to solve the problems. Given the long list of competing priorities inside each organization and the deep political differences among members on whether and how to strengthen EU-NATO ties, a degree of stalemate is understandable. In the long term, however, neither organization can afford inaction or inattention. With 19 nations in a congruent geopolitical space that share multiple common interests and challenges, EU-NATO cooperation is both unavoidable and essential.

In the short term, major changes to the EU-NATO relationship will be difficult. However, a number of pragmatic, small-scale initiatives could be launched in the next year, including enhanced cooperation between NATO and the European Defense Agency; monthly meetings between the NATO Secretary General and his EU counterpart, Javier Solana, to coordinate policies on pressing issues such as counterterrorism and reconstruction operations; and a joint working group to examine the consequences and benefits of defense integration (i.e., pooling, specialization, or multinational procurement).

Transforming for Tomorrow

The Riga Summit is being billed as a “transformation summit” at a time when NATO's fledgling agent for change, Allied Command Transformation (ACT), is clearly experiencing difficulties implementing its vision within the Alliance. This seems largely due to the harsh realities of NATO's current operational environment. The Alliance is struggling to meet the political, operational, and financial challenges of operations in Afghanistan and elsewhere. Under such conditions, many allies wonder if it is prudent to divert scarce political and financial resources to experiment with novel technologies and operational concepts. The concerns are understandable, but the hard truth remains that transformation is an existential imperative. If NATO does not succeed in creating a culture of ongoing transformation and the capabilities it needs to meet 21st century challenges, it will go out of business.

Russia

Russia was not invited to Riga, and as a result, the NATO-Russia relationship will not feature prominently on the summit agenda. Russia will, however, be a factor in many of the questions and deliberations at the summit. Although few would call Russia a 21st century superpower, it still possesses a large nuclear arsenal and has great influence in

world politics on multiple fronts. Cooperation with Russia should therefore be of great importance to NATO. To underline the importance of cooperation, the Alliance should make 2007 a special “Russia year” by celebrating the fifth anniversary of the NATO-Russia Council or the tenth anniversary of the Founding Act.

1. NATO's Summit Agenda: Political Transformation

In November 2006, NATO allies will meet in Riga, Latvia for their 19th annual summit. Observers hoping for dramatic summit outcomes, however, will probably be disappointed. Initially, the Riga Summit was slated to unveil a list of ambitious political reforms tied to NATO Headquarters.¹ Many also assumed that this summit would succeed in reconciling some of the divergent views on NATO's overarching purpose in the 21st century. Unfortunately, while NATO will use its Riga Summit to launch and strengthen a number of capability initiatives aimed at preparing its forces for future missions, the summit's final agenda on political transformation has been significantly scaled back.

It now appears Riga will focus on three core areas: endorsing the Comprehensive Political Guidance – already approved by defense ministers – which aims to outline a framework and political direction for NATO's continuing transformation; committing NATO to future rounds of enlargement; and committing the Alliance to building and strengthening global partnerships. In addition, NATO allies may issue a “tasking” to examine the feasibility of creating a new training initiative in the Middle East. These initiatives are important, but they do not rise to the level of challenge, urgency, or change that today's global security environment presents. If the Alliance wants to remain effective and relevant it will need to return to its original, more ambitious list of reforms in preparation for its next summit.

Comprehensive Political Guidance

At the 2004 Istanbul Summit, in recognition of the fact that NATO's operating environment had changed significantly and that members were seeking guidance on the types of capabilities they would need in the future, NATO tasked the North Atlantic Council to draft Comprehensive Political Guidance (CPG) to support the Strategic Concept. With the transatlantic relationship just beginning to recover from one of the worst disputes in its history over Iraq, rewriting the Strategic Concept itself was out of the question at the time. Members simply did not have the energy to launch a strategic debate over NATO's purpose, the doctrine of preventive war, multilateralism, and nuclear policy. The CPG became the compromise solution, falling somewhere between a new Strategic Concept and documents that issue more specific guidance, such as the Ministerial Guidance for Force Planning.

¹ Recognizing that the need for reform was more acute than in the past, the Secretary General commissioned a study in March 2005 to serve as the basis for new proposals to be launched in Riga. That plan fell apart when the proposals that were submitted, addressing decision-making, budgetary processes, and staff organization, were met with fierce resistance by NATO members. While more modest forms of those proposals are slowly working their way through the Alliance, any hope of including the proposals in Riga has now dissipated.

NATO hoped the CPG would put added political weight behind members' commitments to strengthen their capabilities and help harmonize the various disciplines involved in designing, developing, and fielding capabilities. In addition to capabilities and planning disciplines, NATO wanted the CPG to address its evolving relationship with other institutions such as the United Nations and the European Union and set (or reiterate) specific planning targets.

The final version, a mere five pages slated for approval in November, is less ambitious than NATO's original expectations, although it appears to offer something for everyone. For traditionalists, the CPG reaffirms NATO's core mission of collective defense and stresses the continuing relevance and importance of Article V. For expansionists or globalists, the CPG also stresses that NATO needs to be prepared for a wide range of missions including those that are asymmetric or fall out of the Euro-Atlantic area (i.e., Afghanistan). As for the types of threats that NATO can expect to face in the future, the CPG cites terrorism, the proliferation of WMD, failing states, the misuse of emerging technologies, and the disruption of vital resources. This list serves an important purpose as it takes into account changes in the security environment since 1999. The document, however, does little to settle the debate about NATO's overarching purpose. Is, for example, the current mission in Afghanistan a precedent or an exception? Should the Alliance focus on protecting interests in the Euro-Atlantic area or promoting values around the world? The CPG's answers to those questions are left open to interpretation.

If the CPG is combined with the guidance approved at the defense ministerial in June 2006, the message about NATO's future missions becomes clearer.² NATO defense ministers outlined a new level of ambition for the Alliance, one that will require NATO to be prepared to conduct simultaneously two major operations and up to six smaller operations. This shift from one large deployment to concurrent smaller missions seems to confirm that future threats are less likely to involve large-scale war in Europe, but rather small-scale deployments for stabilization, peacekeeping, and humanitarian assistance operations. However, the CPG does little to provide definitive guidance for national capitals on how to implement this shift of emphasis. Very little is said about what NATO wishes to achieve, particularly in operational terms. And virtually none of the traditional defense planning disciplines (force, armament, logistics, C3, finances, etc.) is mentioned.

The CPG does not provide any guidance on how to prepare for these types of missions, although it does highlight NATO's need to improve its ability to cooperate with civilian operators in the field. Neither the CPG nor the new level of ambition urges NATO to develop its own civilian capabilities. Assuming that NATO will continue to conduct stability and reconstruction (S&R) missions in the future, the CPG recommends that the Alliance be better prepared to focus on civilian-military relations. Recent NATO missions, such as the relief effort in Pakistan after the 2005 earthquake, have revealed a

² At June's Defense Ministerial, NATO defense ministers adopted a new level of ambition for operations that seeks to refocus the Alliance on conducting multiple simultaneous but smaller-scale operations. Though the Ministerial document was not released publicly, it reportedly shifts the Alliance's focus from "planning for one big war" to emphasizing brigade- and division-sized deployments.

pressing need for greater coordination with various actors in the field both in advance of and during an operation. For that reason, the CPG also stresses that NATO's relationships with the EU and the UN will remain critical.³

While the CPG at least alludes to a future for NATO that could include a wide range of missions, it fails to define future capability requirements and outline a clear vision for the continuing transformation of the Alliance.⁴ The CPG does remind members that they should aim to spend two percent of GDP on defense, but the CPG in no way commits members to doing so. (Of NATO's 26 members, only 7 have met this target to date.) The CPG also suggests that 40 percent of members' forces be "usable" and 8 percent be deployable, another target that few members of the Alliance have been able to achieve. These spending and readiness reminders are virtually all that the CPG provides in terms of planning guidance.

One thing the CPG does do is establish a "management mechanism" to encourage, on a systematic basis, the coordination and consistency of various planning activities. Ideally, this particular mechanism will be able to help NATO members forge complementary – but not necessarily common – national objectives and plans for force transformation. (At present, NATO still suffers from expensive and unnecessary duplication while critical capability shortfalls remain unaddressed.) Instead of promoting greater coherence between national and collective planning activities, though, this mechanism is at risk of creating another bureaucratic layer inside NATO: one that would slow, not advance, the transformation agenda.

While the CPG turns NATO's attention to the future, it does little to help the Alliance *prepare* for the future. Too many questions about NATO's purpose and planning priorities are left unaddressed, leaving the Alliance susceptible to stagnation and more internal political bickering. NATO should view the CPG as a first step toward rewriting its Strategy Concept, an action to which it should commit to achieve by 2009. In the meantime, NATO should do what it can to make the management mechanism an instrument for change rather than an excuse for inaction.

NATO Enlargement

Since 1999, NATO summits have always included announcements or initiatives tied to enlargement. The Riga Summit will likely be different. Political and popular skepticism about the value of further enlargement, the slow pace of reforms, and deteriorating security situations have damaged various aspirants' cases, as has a general "absorption fatigue" among current NATO (and EU) members. NATO will be careful not to close

³ This is likely to be all that will be said about the EU-NATO relationship at the Riga Summit despite the fact that every member of the Alliance recognizes that the EU-NATO relationship is in dire need of repair. See p. 57 for more details on the EU-NATO relationship.

⁴ It is important to note, however, that NATO intends to produce additional documents from the CPG that may, at a later stage, address specific capability requirements.

any doors, but the likelihood of invitations even to the Adriatic Charter nations (certainly the most favored for membership at the moment) seems to have dissipated.

The Adriatic Charter Nations

Of all of the countries aspiring to become NATO members, none come closer to reaching that goal than Albania, Croatia, and Macedonia – the Adriatic Charter (A-3) nations. Essentially promised future NATO membership if they undertook extensive societal and defense reforms, the three Balkan countries have been moving steadily through the NATO enlargement process for the last ten years as part of the Membership Action Plan. Limited joint training exercises between NATO members and A-3 countries have been successful, and the relatively open elections and war crime prosecutions that have occurred in the past year have made their cases that much stronger.

Strong positive signals on future membership will likely emerge from the Riga Summit, but the timing of the official invitation is uncertain. Unfortunately, the three countries' candidacies appears to be held up in transatlantic politics, meaning the delay has less to do with their worthiness as candidates and more to do with internal disputes about NATO's purpose and future.

Two camps have emerged inside the Alliance, each with its own philosophical beliefs about the value and risks of further enlargement. One group, wary after the Herculean task of integrating the last seven new members, believes that NATO should not admit security "consumers" that offer little to the Alliance in return. While this group may have originally supported using NATO membership to advance and foster democratic change in the Baltic countries and Eastern Europe, it is beginning to question whether the rewards are worth the effort. This group also worries that additional rounds of enlargement will weaken the Alliance's ability to act and, therefore, it advocates that NATO revisit its enlargement policy by taking a hard look at criteria for new members, the overarching goal of enlargement, and its consequences and limits.

The opposing group, led by the United States, still believes that the benefits of gaining new partners in the Alliance outweigh any associated difficulties. This group repeatedly stresses the added value that new members have already brought to the Alliance, particularly with regard to capabilities, and the value of providing aspirant countries with incentives to transform their forces and ensure civilian control. Proponents of enlargement are eager to send strong signals at Riga to all aspirant nations. Recent comments by U.S. officials and the NATO Secretary General seem to suggest a continued hope that the 2008 summit will be an "enlargement summit," featuring invitations extended to the Adriatic Charter countries.⁵ This idea was also promoted by the NATO Parliamentary Assembly this past summer when it passed a "Declaration of

⁵ "Frist, Lugar and Biden introduce NATO Enlargement legislation," *State News Service*, September 28, 2006. "U.S. senator says Albania could be offered NATO membership in 2008," *Associated Press Worldstream*, August 25, 2006. Nicholas Wood, "Four Nations Face Barriers as They Seek Bid to Join NATO," *New York Times*, July 19, 2006, section A, p. 13.

Support for NATO Membership for the Adriatic Charter Countries,” calling for signals to be given at Riga that indicate invitations will come in 2008.⁶

Which group will prevail? Those favoring further enlargement will likely succeed in the long term, but probably not in time for Riga. Most likely, in November, NATO will issue a statement stressing that it is not having a crisis of confidence when it comes to enlargement. NATO members will then return to Brussels where the final details regarding the Adriatic Charter countries will be debated until a formal date is set in either 2008 or 2009.

Ukraine

Ukraine's 2004 Orange Revolution ushered in hopes of a permanent turn toward the West, a development some NATO allies hoped to solidify with rapid ascension talks. Intensified dialogue started and President Yushchenko seemed confident that he could rally the country behind NATO membership despite significant public opposition. Recent polls, however, show that a majority of Ukrainians still oppose NATO membership and the vociferous resistance to token NATO deployments in the Crimea suggests that Yushchenko's optimism was misplaced. The collapse of his government and the resulting grand coalition with pro-Russian former Prime Minister Viktor Yanukovich has further obfuscated Ukraine's NATO ambitions. While Yanukovich decided to publicly commit to eventually seeking NATO membership in order to join Yushchenko's coalition, his insistence on a referendum before initiating such a process may turn out to be the Trojan horse that keeps Ukraine out of NATO. It is also unclear when, if at all, such a referendum will take place.

Even though Ukraine appears to have taken itself out of the running, there is still significant debate among NATO members about Ukraine's viability as an ally. Some NATO members, including the United States, Poland, and Latvia, continue to urge NATO not to miss this critical, albeit fading, opportunity to bring Ukraine closer to the West. This view is also supported by those Ukrainian politicians who see NATO membership as a key to their eventual goal of integration into the European Union. Other allies argue that Ukraine is culturally and historically Russian and that talk of bringing Ukraine into the Alliance may be both premature and counterproductive. Recent Russian rhetoric on the subject of NATO enlargement suggests that the Kremlin would expend significant effort to influence Ukraine to stay out of NATO and the lack of popular support in Ukraine adds credence to those who say that it is not NATO's job to sell itself to aspirants.

Ultimately, the debate over how to proceed with Ukraine will be significantly influenced by the actions of the Yushchenko-Yanukovich coalition government in the months ahead. Given that Yanukovich has explicitly stated that NATO membership is on hold

⁶ NATO Parliamentary Assembly, "Declaration on Support for NATO Membership for Albania, Croatia and the Former Yugoslav Republic of Macedonia" (30 May 2006): Available online at <http://www.nato-pa.int/Default.asp?SHORTCUT=950>.

(perhaps permanently), nothing should be expected to come out of Riga regarding Ukraine.⁷

Georgia

Georgia's NATO problems are the inverse of Ukraine's. Both the Georgian population and government fully support NATO membership and want nothing more than an offer of a Membership Action Plan at Riga. Georgia has successfully completed its Individual Partnership Action Plan and was recently rewarded with an Intensified Dialogue.

However, concerns within NATO about Georgia's unstable security situation and perilous neighborhood have given some NATO member states cold feet. Behind closed doors, calls to put off or at least slow Georgia's path to membership are becoming more frequent.

On the security front, Georgia has yet to resolve the status of two breakaway regions, South Ossetia and Abkhazia. The fact that the leaders of both regions are strongly supported by Moscow has contributed considerably to regional tensions and friction in the Georgia-Russia relationship. The fractious nature of the debates over these two regions combined with some indications that Georgia might consider a military resolution to its separatist problem makes more than a few NATO nations nervous about contemplating an Article V commitment to Georgia.

These problems may make membership for Georgia seem a foolish proposition, but other allies, particularly the United States and Italy, see promise in offering Georgia continuing membership talks. They argue that a NATO presence in the Caucasus would help support the region's only fragile democracy, extend the Alliance's influence in a resource rich region, and continue to signal that NATO's door remains open to all that seek to join and are willing to undergo the necessary reforms. The Georgians also argue that their separatist issues will never be resolved diplomatically until Russia has a compelling reason to cease pressuring Georgia. Fear of angering NATO may be one way to accomplish this, but that also raises the possibility of a confrontation between NATO and Russia, something no Alliance member wants.

As noted above, Georgia was granted an Intensified Dialogue while NATO Secretaries of State were in New York for a UN meeting in September, which will keep it on the membership path. Many analysts interpreted that move as a way to offer Georgia a positive signal without making Georgia a formal part of the Riga Summit agenda. It is, therefore, very unlikely that any major announcements concerning Georgia will be made in Riga. The debate over Georgia's worthiness as a candidate, though, will certainly continue through NATO's next summit and possibly beyond.

To be sure, enlargement is one of the most emotionally charged and contentious issues confronting NATO today. With increasing enlargement fatigue, heated debates about NATO's purpose and future missions, the Alliance's growing list of ongoing operations and the need for more capable troops, and growing, fierce Russian opposition to

⁷ Peter Finn, "Ukraine's Yanukovich Halts NATO Entry Talks," *Washington Post*, September 15, 2006, section A15.

enlargement near its borders, the issue is likely to stay contentious for years to come. The timing of future rounds of enlargement will depend on three factors: first, NATO members' willingness to hold an open and honest debate on the benefits and risks of adding new members; second, aspirant countries' ability to show that their values mirror those of the Alliance and that they would contribute to – not detract from – future NATO missions; and third, new members' ability to continue to demonstrate the value of new partners. Some allies, like Poland, have already proven to be substantial contributors to NATO missions. Others, however, will have to do more to persuade skeptics that enlargement is indeed a process worth pursuing.

NATO Partnerships

All NATO members recognize the enormous contributions that non-NATO allies have made to Alliance operations in recent years. The presence of Australian, New Zealand, and Japanese soldiers in Afghanistan is one positive example of such cooperation. What NATO cannot seem to agree on is the best way to reward and further strengthen the allies' relationship with these and other like-minded countries. As with the enlargement issue, there are two distinct points of view: those who favor a strengthened global partnership program with formal structures and clearly defined parameters, and others who fundamentally reject this idea because of the difficulty of managing such partnerships and the increased political role it would require the Alliance to adopt.

Partnership is a vague term, making it difficult to determine what its varied proponents intend. NATO nations already enjoy extensive bilateral defense relationships with many prospective partners and NATO as an organization has several affiliate programs that it classifies as partnerships. Today's challenge is two-fold. First, on the strategic level, how can NATO offer value and benefits to potential partners without necessarily implying possible admission or duplicating existing bilateral ties? Second, at a more bureaucratic level, how should NATO organize its alphabet soup of current partnership programs? Should it formalize these partnerships beyond simple working relationships or conversational forums?

The Changing Nature of NATO Partnerships

NATO's enthusiasm for international partners and various consultative committees came out of the turmoil of the fall of the Warsaw Pact. NATO used partnership programs to encourage democratic reform and stability on its immediate Eastern flank. Similar impulses led to the creation of the Mediterranean Dialogue and the Istanbul Cooperation Initiative, two other programs that encourage discussion and reform in a close and strategically vital area on NATO's borders. NATO has also expanded its partnership programs and relationships well beyond the Euro-Atlantic area. Today, one finds NATO partnership initiatives in nearly every region of the world.

One persistent criticism of NATO's current approach to partnerships is the staggering number of fora and programs, which makes administering them or pursuing concrete action tremendously difficult and complicated. It would be wrong to suggest that these

programs accomplish little or nothing. The partnership programs offer an array of useful opportunities for both NATO and partner countries, including joint military training and security cooperation, primarily deliberative committees, and a sort of pre-invitation waiting room for aspirant countries. Less clear is the role and effectiveness of partnerships for nations that either harbor no aspirations of joining NATO or are not democratic or stable enough to be considered.

The complicated web of structures and mixed bag of “partner” countries does seem to beg for streamlining. NATO, as an organization comprised of democratic countries, should reconsider the political consequences of partnering with human rights abusers in the Caucasus and Middle East. The Alliance must also consider how far such partnerships should extend for an organization that is explicitly committed to transatlantic security. NATO is not the EU or the UN, and it has no explicitly defined political role or agenda beyond collective self-defense. Its actions to promote civil society and government reforms in Eastern Europe stemmed from a consensus that such measures would increase the security of NATO members. There is no consensus, however, on whether or not NATO should be in the business of promoting similar reforms in the Middle East and beyond.

Some nations, notably France, seek to limit NATO to a defensive alliance with neither a political role nor the appearance of representing Europe’s interest beyond a limited security context. French President, Jacques Chirac, explicitly made this point before a forum of French Ambassadors on August 28, 2006.

In a few weeks' time, the NATO Summit will be taking place in Riga. We want this meeting to be a success and to mark a further milestone in the adaptation of the Alliance. We will achieve this by upholding NATO's legitimacy as a military organization guaranteeing the collective security of the European and North American allies. To seek to involve the Alliance in non-military missions, ad hoc partnerships, technological ventures or an insufficiently prepared enlargement could only distort its purpose.⁸

The United States leads a faction of allies that disagrees. These members are comfortable with NATO taking on the greater political role associated with additional partnerships and envision NATO fostering multilateral cooperation on issues that reach far beyond defense, such as energy security, nonproliferation, and regional concerns. Supporters of enhanced partnerships of this kind have been influenced in recent months by the relationships that have come out of the reconstruction mission in Afghanistan.

⁸ Speech by President Jacques Chirac at the opening of the Fourteenth Ambassadors’ Conference (Paris, August 28, 2006). Transcript available at (<http://www.ambafrance-us.org/news/standpoint/stand174.asp>).

A NATO Training Initiative

While it is clear that the Comprehensive Political Guidance, enlargement, and NATO partnership programs will all be part of the Riga Summit agenda in November, one additional item may be included as part of NATO's ongoing political transformation. Given NATO's experience and expertise in providing security- and defense-related training, the United States, Norway, and Italy have proposed that the Alliance launch a new training initiative in the Middle East. Like many other items on the summit agenda, however, this initiative has triggered a larger debate about NATO's future roles and missions. As a result, the most that can be expected on this particular issue in Riga is a "tasking" for the Alliance to look further into the feasibility of launching such a training center.

NATO has been training and educating foreign militaries for years under the assumption that NATO stands to benefit from empowering other nations to contribute more to global security. Because of its experience with the Partnership for Peace Program, which has successfully prepared countries for full membership in the Alliance, NATO has a wealth of expertise in training officer corps in modern military leadership skills and instilling values associated with democratically controlled armed forces. NATO's training program in Iraq has also provided courses in strategic planning, management, and analyzing lessons learned from day-to-day operations.

The United States, Italy, and Norway would like to build on this success by creating a small training program in the Middle East (possibly at a facility that U.S. Central Command is no longer using). The center would train 100 – 200 Middle Eastern defense personnel annually in such subjects as civil-military relations, defense planning, and budgeting. The three countries argue that this modest investment would yield huge returns.

The Secretary General has proposed a similar – albeit less ambitious – idea, suggesting that NATO expand existing training programs and/or possibly create mobile training teams to provide training and education in the Middle East and Africa.

While no NATO member would dispute the value of training programs, there is some hesitation within the Alliance about creating a formal training initiative, especially in the Middle East. Member states are worried about the funding for such an initiative and have questions about the center's curriculum and participating countries. More difficult to address, however, is the question of whether or not such a training program should indeed be part of NATO's core mission. With more than one member keen to keep NATO's focus on collective defense, this initiative is not likely to gain final approval until NATO reaches consensus on the Alliance's overarching purpose.

Non-NATO nations have contributed significantly to Afghanistan's reconstruction. Such assistance was initially achieved primarily through bilateral cooperation with the United States or donor conferences not explicitly under NATO auspices. But as NATO's role in Afghanistan has grown, so too has the role of non-NATO nations. New Zealand operated a well-regarded Provincial Reconstruction team that it then handed over to NATO forces, and Australia, Japan, and South Korea have all played military or financial roles in stabilizing the country and have had a growing number of positive and fruitful relationships with the Alliance.

A number of NATO members are now interested in finding a way to reward these countries for their important contributions on the ground and to build firmer institutional links among a coalition of like-minded nations in a vital region. It is not entirely clear, however, that these countries are equally as excited about the prospect. NATO's recent struggle to meet the troop requirements for its mission in Southern Afghanistan has had a chilling effect on enthusiasm for new international partnerships. No country wants to be offered the "opportunity" to make up the NATO troop shortfalls without a significant return on its investment. NATO's greatest asset is its collective self-defense guarantee but, given the heated debates about NATO's purpose, it is highly unlikely that NATO would offer much more beyond increased discussion, liaison, and training opportunities. These benefits can be significant, as NATO transformation and military requirements are the standard for Western militaries. Whether it is enough to entice nations to contribute troops to the increasingly difficult mission in Afghanistan remains to be seen.

Given this summit's internal focus, the lack of a political consensus on expanding and streamlining partnerships, as well as non-NATO members' lukewarm response to the idea of creating new institutional structures, NATO's formal statements in Riga on this issue will be limited. Countries like Australia, New Zealand, and Japan will be thanked for their cooperation on the ground in Afghanistan and a statement will likely follow on the need to continue to support such relationships through joint training or increased liaison relationships. But resolving the competing visions of NATO partnerships and finding ways to make them more effective and compatible with NATO values will simply take more time.

Recommendations

- *NATO should aim to rewrite its Strategic Concept by 2009.*

While the CPG acknowledges NATO's changing role in the world and attempts to chart a way forward for the Alliance, it cannot and will not replace the Strategic Concept. As the cornerstone of NATO's defense planning efforts, the Strategic Concept is too important to let drift into irrelevance. Because the CPG fails to provide the proper strategic guidance, NATO should commit itself to writing a new Strategic Concept for NATO's 60th anniversary summit in 2009, as German Chancellor Angela Merkel of Germany and many others have suggested. That task will no doubt trigger thorny debates about NATO's challenges and objectives. Members should view that process as a critical

opportunity to foster healthy discussion and to trigger reform in a number of other areas including enlargement, partnerships, and capabilities, which have been held hostage in recent years by NATO's greater strategic debates.

- *The CPG should be used to hold members accountable to various defense planning targets.*

In the short term, NATO members should incorporate the targets outlined in the CPG into their defense planning efforts. Members should view the targets as binding, even if the document does not. Furthermore, political elites in NATO member states should explain to their publics that unless these targets are met, particularly the 2 percent of GDP target for defense spending, NATO's ability to respond effectively to a wide range of conflicts in the Euro-Atlantic area and beyond will be in jeopardy.

- *NATO should use the management mechanism to foster greater defense integration among member states.*

NATO should work to prevent the CPG's management mechanism from turning into another bureaucratic layer that does little to advance NATO's transformation efforts. With the right leadership, the management mechanism could serve as a forum to examine and compare various forms of defense integration, ranging from pooling of capabilities to specialization to multinational procurement, with the aim of identifying best practices and new opportunities for further integration. A number of NATO members are experimenting with these models and other members stand to benefit from their experiences.

- *NATO should continue its Open Door Policy, but with set goals.*

The "Open Door Policy" has been emphasized repeatedly by the Secretary General in recent months, and can be seen both as a clear statement on NATO policy and a sound indication that the Adriatic Charter nations will receive positive signals about enlargement at Riga. Given the effort and good faith put forth by those countries, NATO has an obligation to offer membership as an eventual reward (even if the invitation is not extended in Riga). However, attempts to accelerate enlargement without creating commonly agreed upon goals for new members would place great absorption burdens on the Alliance and strain NATO's political fabric.

Real debate is needed about universal membership standards. To date, the enlargement process has broken down into individualized action plans and bilateral visits, giving some NATO members the impression that standards for membership are slipping. While the unique nature of each potential new member will dictate the course of its ascension process, a broad NATO consensus on minimum standards and shortfalls to be addressed would be helpful and will encourage greater support for enlargement. Using Riga to set the table for an enlargement summit in 2008 could stimulate this debate.

- *National leaders, when discussing NATO enlargement, should decouple the Adriatic Charter countries and Ukraine/Georgia.*

Vigorous debate exists about the suitability of Georgia and Ukraine for admission into NATO, but the countries opposed to integrating these more contentious candidates should be careful to decouple them from the Adriatic Charter members in their public statements. Recent public denunciations of “enlargement” writ large have appeared to include the Adriatic Charter nations, which are working diligently on the necessary reforms to gain eventual entry into NATO. Complaints about “absorption fatigue” and “parasitic” allies do little to engender confidence in the Balkans.

Any appearance of NATO backsliding, even if it is in reality an overstatement of the opposition to Ukrainian and Georgian ascension, will fuel the segments of the Balkan populations indifferent to or against expansion. The potential consequences could perhaps be similar to Turkey’s relationship with the European Union. It would be a shame to undermine real progress in the Balkans with careless remarks or inflammatory political rhetoric intended for domestic consumption. Reneging on enlargement promises in the Balkans would discredit the reformers leading their nations toward NATO membership and destroy NATO’s credibility in the region.

- *NATO partnerships need to be coordinated and focused.*

NATO partnerships work best when they are focused on small, practical initiatives. The continued naval patrols of the Mediterranean by NATO nations, Russia, and some naval forces from the Middle East and North Africa are one such example. Engagement and dialogue, particularly with less democratic regimes, is also valuable – but only when all sides share an understanding of the core objectives of such exchanges and they are able to agree on a common and narrowly defined agenda. Partnership for partnership’s sake is not necessarily a net plus for the Alliance. Therefore, as NATO considers launching new partnerships and strengthening current ones, it should undertake a full audit of existing programs, ensure that all players understand the fundamental objectives, and seek to improve coordination among various partnership programs. NATO should not risk diluting the much-desired label of “NATO partner” with partnerships that are heavy on rhetoric and short on substance.

- *NATO should not overlook the value of partnerships inside Europe.*

While press and popular attention tend to focus on NATO partnerships beyond the Euro-Atlantic area, the value of partnerships with non-NATO members inside Europe should not be overlooked. Sweden, Finland, Austria, Ireland, and Switzerland (all members of the Partnership for Peace Program) share common values and interests with NATO members. Ongoing efforts in these countries to achieve military interoperability with NATO should be applauded as well as continued and expanded. Furthermore, efforts to foster practical military cooperation that raises the standards and deployability of both NATO and partners’ forces are a benefit to all involved. More specifically, NATO could profit greatly from reaching out to and learning from countries, such as Sweden and

Finland, which have accomplished some notable successes in defense transformation in recent years.⁹

- *NATO should enhance its relationship with big contributors without creating cumbersome structures in the Alliance.*

NATO and Australia recently signed an agreement that allows for the sharing of classified information, a necessity given the Australian troop presence in Afghanistan. The important role that Australian troops are playing in the region and the competence with which they do their jobs highlight the reasons why the NATO-Australia relationship is heralded as one of the most successful and pragmatic partnerships to date. While the Secretary General has vowed not to encumber the process with “heavy structures,” formalizing the relationship in some form would be desirable.

There are a number of ways to reward those countries like Japan, Australia, and New Zealand that are contributors to NATO missions as well as net security providers in the world. NATO could offer invitations to participate in NATO BMD, create permanent councils similar to the NATO-Russia Council, or increase communication between these countries and NATO military’s transformation headquarters. Holding additional 26 + n meetings with these countries individually or in combinations would be another option.

⁹ In addition to streamlining their militaries and improving deployability, both Sweden and Finland have connected the command, control, and communications systems of their militaries and first responders under one network. The Finnish system is called VIRVE, the Swedish system, RAKEL.

2. NATO's Summit Agenda: Capability Initiatives

Despite ongoing struggles over its role in today's global security environment, NATO has succeeded in launching a number of new capability initiatives since the fall of the Berlin Wall. The Riga Summit will continue that tradition by formally declaring the NATO Response Force (NRF) operational, announcing two much-needed common asset programs, launching a new program for special operations forces, and tasking the Alliance to further investigate ballistic missile defense (BMD) cooperation among NATO members. The summit declaration might also suggest that NATO consider developing special capabilities for stabilization and reconstruction operations.

As with any effort tied to military capabilities, however, the challenge will come in turning paper promises into concrete action. In the past, NATO members have made pledges they have proven unable to meet. Going forward, NATO must identify innovative ways for members to bridge the gap between ambition and capabilities – including addressing funding approaches (e.g., “costs lie where they fall”) that disincentivize participation, resolving NATO's broader strategic debate about why new capabilities are required, and helping members more wisely spend what limited resources they have.

NATO Response Force

NATO committed to creating the NATO Response Force at its 2002 Prague Summit. At the Riga Summit, NATO will likely declare the 25,000-strong force fully operational. While the NRF has catalyzed transformational change in several European militaries, pushing them to become more deployable, interoperable, and capable, the NRF's first two small-scale deployments to provide relief after Hurricane Katrina and the Pakistani earthquake highlighted a number of remaining capability shortfalls. In addition, the humanitarian nature of those two operations triggered thorny debates in NATO about the types of missions the NRF should undertake in the future.

NATO created the NRF so that the Alliance would have a lighter, more mobile force to perform low- to high-intensity missions for short periods of time. To that end, the NRF was designed to be deployed within 5 days and sustainable for up to 30 days (or more if re-supplied). It consists of land, air, and sea components from NATO member states, with the option of adding support from NATO partner countries on an ad hoc basis. National force commitments to and leadership of the NRF rotate every six months.

The NRF moved from concept to reality in October 2004 when it reached an initial operational capacity of 17,000 troops. Roughly one year later, in the face of Hurricane Katrina's devastation, the NRF undertook its first official mission. It was a small-scale operation, using transport aircraft and roll-on, roll-off vessels to deliver assistance to victims on the U.S. Gulf Coast. In just a few weeks' time, the NRF air bridge delivered 189 tons of food, first-aid kits, medical supplies, generators, and water pumps. The

mission was helpful but by no means critical to the wider relief effort. It did, however, showcase transatlantic solidarity in the face of deep divisions over the U.S.-led war in Iraq and allow NATO to take the NRF for a test drive.

Much more substantial in both size and value was the NRF operation in Pakistan in the wake of the October 8, 2005 earthquake. This operation used NRF tactical airlift, command and control, and some ground elements, such as engineering units and field hospitals, to deliver assistance to survivors and help pave the way for other organizations to begin the long-term assistance and reconstruction process. NATO troops moved survivors away from the earthquake zone, maintained the air bridge, treated thousands of sick and injured, built shelters, and restored critical infrastructure. Many lives were saved as a result.

While NATO members applauded the speed of the NRF response and recognized the Alliance's critical contribution on the ground during the first few weeks following the tragedy, the NRF operation in Pakistan also raised a number of questions about future missions. Some allies worry that the NRF, primarily designed for high-intensity combat, is at risk of becoming an instrument for humanitarian missions. "The NRF should not be an arm of the International Red Cross," stated one member of the French Mission at NATO in an interview with one of the authors of this report. The Secretary General agrees and has repeatedly stressed that NATO is not a "humanitarian organization."¹⁰ He often adds, however, that NATO has a duty to help when asked. Conversely, other allies worry that if the NRF limits itself to high-intensity missions only, some NATO members will assume it will not be used and, as a result, will not contribute the necessary forces to fill future rotations.

In addition to triggering internal debates on whether or not the NRF should be deployed for humanitarian missions, the Pakistan and U.S. Gulf Coast operations highlighted a number of capability problems. First, the operation exposed the NRF's lack of strategic lift, particularly for oversized cargo and on short notice. Second, NATO encountered a number of problems in negotiating the terms of the NRF operation with Pakistani officials. Precious time was wasted determining jurisdiction, basing, and other issues. Third, NATO logistics also proved problematic since the bulk of Europe's logistics capabilities are not able to get to or operate in distant environments. This situation is further complicated by the fact that European forces rely on a highly diverse array of equipment requiring different types of ammunition, maintenance, and spare parts.

Most troubling for the NRF, however, has been the challenge of funding. In the Pakistan mission, Spain won what many call the "reverse lottery," meaning that the country that happens to be in rotation when the NRF deploys ends up paying the deployment's full costs. NATO Supreme Allied Commander Europe, General James Jones, worries about the policy's long-term implications. "I continue to have questions about the willingness of nations to contribute forces to each rotation in the amount necessary to be confident that we can meet all of the mission sets that are assigned to the NATO Response Force,"

¹⁰ NATO Secretary General Jaap de Hoop Scheffer, Riga, Latvia, July 14, 2006 (<http://www.nato.int/docu/speech/2006/s060714a.htm>).

he said in an August 2006 press briefing at the Pentagon.¹¹ General Jones and other NATO leaders have called for more flexibility in the way NATO missions are funded in order to ensure that the funding issue does not become a disincentive for members to commit to the NRF.¹²

There was some speculation that the NRF would be called up to serve in Lebanon after violence in the summer of 2006. But several NATO members objected, claiming, as the Germans did, that the NRF was unsuited to the task or that it was inappropriate for this particular mission since NATO is commonly viewed as the “armed wing of the West in the region.”¹³ Consequently, no operational demands have pushed the NRF to address some of the issues listed above.

Practice Makes Perfect?

The NRF did, however, conduct a large-scale live exercise in June 2006. Exercise Steadfast Jaguar, held in Cape Verde, was billed as the NRF’s last test before becoming fully operational at the Riga Summit and was the first opportunity to bring together the NRF’s land, sea, and air components. Over 7,000 troops spent two weeks rescuing civilians from a volcanic eruption and confronting an imaginary fight between rival factions battling for control of island energy resources.

Heralded a success by NATO officials, the live exercise demonstrated NATO’s ability to command, control, and sustain a tailored force in an austere environment. General Jones warns, however, that those achievements do not necessarily guarantee that the NRF will be declared operational in Riga. That decision, he noted at an August 2006 press conference, will depend on the evaluation of the force generation process, the training and certification process, a review of the command and control structures, and whether or not members can commit to the full resourcing of particular missions.¹⁴ The United States’ recent decision to contribute 6,000 troops to fill any existing gaps should help with the resourcing question, although other NATO members will need to increase their commitments as well.¹⁵ A recent study by the UK International Institute for Strategic Studies (IISS) shows that a number of NATO members have cut their active duty troop levels since 2001, which could make future resourcing of the NRF problematic.¹⁶

Even if General Jones decides not to declare the NRF fully operational, NATO is well on its way to creating a rapidly deployable force for a wide range of missions. At this point, the most pressing need is for the Alliance to agree on how this fairly new instrument

¹¹ “Jones: NATO Response Force Should Be Fully Operational This Year,” *Inside the Navy* 19, no. 33 (August 21, 2006).

¹² For a detailed discussion of NATO’s funding challenges, see the next section on common assets.

¹³ “Chirac: NATO should not lead international force in Lebanon,” *Associated Press Worldstream*, July 26, 2006.

¹⁴ “Jones: NATO Response Force Should Be Fully Operational This Year,” *Inside the Navy* 19, no. 33 (August 21, 2006).

¹⁵ The U.S. decision to commit 6,800 troops to NRF rotation 7 was a welcome shift in policy to NATO member states. America’s initial decision not to contribute ground troops to the NRF created low levels of transatlantic friction inside the Alliance.

¹⁶ James Kitfield, “Divided We Fall,” *National Journal*, April 8, 2006.

should be used. Once NATO allies achieve consensus on when, where, and why to use the NRF, they can return their attention to the challenges associated with ensuring the NRF has the capabilities and funding arrangements it needs to be effective.

NATO Common Assets

The Riga Summit will address two important items related to NATO common assets and future capabilities. First, the Alliance will announce the new NATO Strategic Airlift Capability (NSAC). This may include the signing at the summit of a memorandum of understanding between NATO and Boeing for the purchase of four C-17 “Globemaster” transport aircraft. Second, NATO will discuss the industry proposal for the Alliance Ground Surveillance (AGS) program. With the official proposal submitted by the AGS Industries consortium, the Conference of National Armaments Directors (CNAD) will expect a mandate from NATO leadership to initiate detailed negotiations and sign a contract in 2007.

A major issue for NATO – and one with which the organization has been wrestling for decades – derives from the structure of the NATO budget and the allocation of funding for development, acquisition, operation, and maintenance of Alliance equipment. The majority of funding in the Alliance is done on an individual state basis; nations own and are responsible for their own military assets, including their associated costs. Essentially, costs “lie where they fall” when acquiring capabilities and when undertaking operations in an Alliance context.

As weapons platforms and systems become increasingly complex and costly, however, fewer nations are able or willing to bear the costs of research, development, acquisition, and maintenance of certain capabilities – a phenomenon the private sector has been dealing with for some time. Today’s products rely on so many different critical technologies that most companies can no longer maintain cutting-edge sophistication in all of them. Furthermore, even with a limited set of technologies or services, companies hoping to remain competitive must incur and defray immense fixed costs, especially for research and development (R&D). Since the pressure to innovate and to master multiple technologies applies to firms of all sizes, large companies as well as medium- and small-sized ones are increasingly seeking strategic alliances for collaborative R&D, acquisition, and marketing.

The same logic applies in the world of defense capabilities where weapons platforms and systems that will form the backbone of the Alliance’s capability to conduct relevant operations – global communications systems, persistent intelligence, surveillance, and reconnaissance (ISR) assets (manned and unmanned), strategic lift (air and sea), and aerial refueling capabilities – all involve development, acquisition, and maintenance costs in the hundreds of millions, often billions, of dollars.

In NATO, however, the current funding mechanism is neither equitable nor optimized for strategic partnerships. The Alliance unfairly taxes those members that are willing to be

“first in” and provide their own assets for operations. As only a small number of European states have the capacity to provide the required assets, the same individual nations are routinely asked to shoulder the burden. The current arrangement also disadvantages smaller states, which simply cannot afford to participate in NATO operations more than occasionally.

Over the years, efforts to create NATO common assets have attempted to resolve the dichotomy between the desire to maintain national control over capabilities and the increasing difficulty of doing so. Two very different strategic partnerships were developed and formed: one to create a NATO-owned capability (Airborne Warning and Control System, or AWACS) and one to gain access to a global communications infrastructure (NATO SATCOM V).

In the late 1970s, 14 NATO members began the process to procure a dedicated and common fleet of 17 aircraft and created the NATO AEW&C Program Management Agency (NAPMA) to manage them. Countries provide personnel to operate and maintain the aircraft and provide financing toward flight time. A somewhat different approach was taken in the Alliance’s satellite communications program, where a joint bid was submitted by France, the United Kingdom, and Italy to supply capacity on satellites owned by these countries (the French Syracuse 3, the British Skynet 5, and the Italian SICRAL). The 26 member states of the NATO Infrastructure Committee agreed in September 2004 to award a 15-year contract (from 2005 to 2019) to the three nations.¹⁷

Today, the Alliance faces critical decisions regarding its future force structure and that of its member nations. As new capabilities are sought, the Alliance is broadening the scope of its strategic R&D, acquisition, and maintenance partnerships. NATO has recently announced the launch of contract negotiations for the acquisition of four C-17 aircraft under a Weapon System Partnership (WSP) – an agreement set up by the NATO Maintenance and Supply Organization (NAMSO) to manage aspects of common logistics support for weapon systems or defense-related equipment owned by two or more Alliance members.¹⁸ Each WSP is formally established through the conclusion of an agreement between the participating nations and its approval by the NAMSO Board of Directors and it provides for joint management by the participating countries and for the equitable sharing of the administrative costs and costs of claims related to the agreement. Currently, there are more than 20 WSPs that cover a wide range of defense systems, including anti-tank missiles, C-130 and P-3 aircraft, and certain helicopters.

The activities of a WSP are directed by a Weapon System Partnership Committee (WSPC), chaired by one of the member nations. Through the WSPC, nations make collective decisions on policy issues for logistics support, configuration management, and sharing of associated operational and administrative costs, based on mutually agreed cost-sharing formulae. The scope of services provided under a WSP ranges from materiel

¹⁷ Gordon Adams and Guy Ben-Ari, *Transforming European Militaries: Coalition Operations and the Technology Gap* (London: Routledge, 2006), p. 90.

¹⁸ The NAMSO Board of Directors may also authorize NATO organizations and Partnership for Peace (PfP) states to participate in a WSP, under terms and conditions that it approves.

management (spares procurement, common storage, etc.) to materiel maintenance (repair, configuration control, and upgrades) to transportation services. Most of the logistics services are contracted out to industry under competitive bidding.¹⁹

The NATO Maintenance and Supply Agency (NAMSA) – the executive arm of NAMSO – is leading the negotiations with Boeing, which produces the C-17, with the aim of receiving the first aircraft by the end of 2007 and an additional aircraft every six months after that. Full operational capacity is therefore envisioned in 2009. The C-17 WSP is part of the overall effort by 13 nations to develop the NSAC based at Ramstein Air Force Base in Germany.²⁰ A multinational military structure will be created to coordinate use of the aircraft based on the NATO AWACS model. According to this structure, nations are allocated flight hours based on their initial contribution for the capability. The 13 nations will use the aircraft based on national requirements or for NATO, UN, EU, or other multinational operations, as they see fit.

The four NATO C-17s will complement the existing Strategic Airlift Interim Solution (SALIS) to lease flight hours on six Antonov 124 aircraft to 15 member nations (and 2 non-NATO members: Finland and Sweden). SALIS is expected to cost some \$200 million for 2,000 flight hours in the next 3 years. However, a single Antonov flight to Afghanistan as part of ISAF ran \$250,000, making this a less than cost effective option.²¹ Therefore, if NATO intends to increase its strategic airlift capability beyond four aircraft, as some have suggested – including SACEUR James Jones and Assistant Secretary General Marshall Billingslea – more aircraft will have to be procured.

If C-17s are part of this addition, then time is of the essence. On August 18, 2006, Boeing announced that it would cease to internally fund the production of aircraft for which there are no orders in mid-2008. Of the 22 aircraft that were internally funded by the company, 18 have now been sold: Australia, Canada, and NATO have agreed to purchase four aircraft each, the United Kingdom will add one new aircraft to the four leased ones it will be purchasing, and Sweden is considering acquiring two. In addition, the U.S. Congress has approved funding for three more aircraft. However, barring further orders in the immediate future, Boeing will still have four aircraft that have not been sold and the production line will be closed unless new customers can be found. While this does not mean new aircraft will never be produced, it does mean they will be more expensive per unit as the costs of renewing production are incorporated into the price. If more member nations could be added to the NSAC program, additional C-17s could be bought at current prices.

Regarding NATO AGS, the Alliance decided at the 2002 Prague Summit to pursue a commonly owned and operated core system, much along the lines of NATO's AEW&C system. It was recognized that without a NATO-owned and -operated battlefield

¹⁹ Jörn Brauer, "NAMSA: NATO's Logistics Agency of Choice," *RUSI Defence Systems* 8, no. 2 (2005).

²⁰ The nations participating in the NATO SAC are: Bulgaria, Czech Republic, Denmark, Estonia, Italy, Latvia, Lithuania, Netherlands, Poland, Romania, Slovakia, Slovenia, and the United States.

²¹ Center for Strategic and International Studies, *European Defense Integration: Bridging the Gap Between Strategy and Capabilities* (Washington, D.C.: CSIS, 2005), p. 87.

surveillance system, the Alliance's ability to provide its forces with situational awareness would either not exist or would rely heavily on already overburdened U.S. assets. On the other hand, a NATO force with airborne ground surveillance capability would be much more capable and much less vulnerable.

Subsequently, NATO solicited industry solutions to meet this requirement. Member nations revalidated their commitments to the program at the Istanbul Summit two years later. In April 2006, Alliance officials released the request for proposals for the AGS design-and-development phase. A month later, the six leaders of the transatlantic industry consortium that is the prime contractor for the program formed a joint venture company, AGS Industries, to serve as a single interface with NATO. To manage the program, the Alliance Ground Surveillance Capability Provisional Project Office (AGS/PPO) was created, and later turned into the Alliance Ground Surveillance Support Staff (AGS3) cell. A proposal must be submitted by November 2, 2006.

What happens next remains to be seen. The creation of a new NATO program office and a strategic industry partnership indicates that both NATO and the private sector accept the benefits of combining forces for programs of this type. However, the Riga Summit must include a renewed commitment by nations to this important transformational program.

The new strategic partnerships – C-17 SAC and AGS – will have significant advantages for the Alliance. In addition to providing critical new capabilities, they will increase the efficiency and innovativeness in acquiring, maintaining, and operating these capabilities. They also will yield dividends for the countries involved by revitalizing firms (and thereby local economies) and creating jobs through technology transfer (including access to complementary expertise), economies of scale, and the related productivity growth.

As NATO forges ahead with strategic partnerships for jointly owned assets, both the advantages and also the challenges of these mechanisms must be appreciated. Alliances for common ownership are tools of necessity, not of convenience – essential for acquiring and maintaining the complex capabilities required to deal with the broad range of security threats in the 21st century.

Yet, true strategic partnership compromises the fundamental independence of economic and political actors, which decisionmakers may resist. After all, national leadership means total control and strategic partnership means sharing control. In a stable security environment – such as during the Cold War – a decision maker's desire to preserve control exacted little penalty. In today's constantly changing security environment, however, leaders must recognize that partnerships for joint ownership of certain defense assets are essential.

Building a strong strategic partnership for common ownership requires patience and commitment to a complex, demanding, and often lengthy process. Shared ownership agreements can also create frictions when partners are not clear about their specific roles. As different countries enter into different strategic partnerships – even within NATO but

more so if with non-NATO nations and organizations – some partners may gain more than others and unequal benefits may damage a partnership, particularly when expectations differ and the stakes are high. Large partners may tend to dominate smaller ones and can shape relationships by changing strategies unexpectedly.

These potential threats to the stability of strategic partnerships must be addressed well in advance in order to avoid misunderstandings and complications in the future. For all the challenges, in today's defense capability environment, it is best not to go it alone.

Special Operation Forces

It is no secret that special operations forces (SOF) play essential roles in the war against terrorism. From large contributions in Afghanistan and Iraq to smaller efforts in Africa and Asia, U.S. and allied SOF units are working together intensively on a day-to-day basis.

The NATO Riga Summit presents an important opportunity for member states to recognize the multidimensional value of SOF capabilities. Investing in these types of assets makes sense from both an alliance and national perspective, as SOF are well positioned to help address the challenges NATO faces today and the threats it will likely face tomorrow.

Indeed, for a summit predicated on the necessity of military transformation, it would be surprising if SOF was not prominent on the list of agenda items. These forces are among NATO militaries' most utilized assets today. Numerous European nations, including Denmark, Germany, Norway, Poland, and the United Kingdom, have contributed SOF units to NATO operations in Afghanistan or coalition efforts in Iraq. Australia, New Zealand, and Canada have also contributed SOF units.

There are three primary reasons why SOF capabilities should be prominent in current and future NATO planning. First, the current operating environment is dominated by irregular threats emanating from insurgencies, terrorism, and other threats related to weak and failing states. The Alliance needs rapidly deployable and adaptive capabilities that can affect positive outcomes across the spectrum of conflict – from conflict prevention and foreign internal defense, to kinetic operations and direct action, to counterinsurgency and stabilization missions.

Second, the future security environment will likely look much like the current one: unconventional threats and irregular warfare will characterize the long-term challenges to peace and security in areas vital to all NATO members.

Finally, SOF capabilities are one way that states with flat or declining defense budgets can make substantial contributions to coalition operations. According to Major General Gary Harrell, who in 2005 led U.S. Central Command's Combined Forces Special Operations Component, coalition SOF units make contributions far in excess of their

numbers.²² Highly trained, typically far more interoperable than other forces, and able to deploy very rapidly, SOF capabilities are ideal contributions from countries with only limited capabilities for coalition operations that occur far from their borders.

Given the centrality of SOF units to the entire range of irregular warfare missions that dominate the current and projected threat environment, investment in these capabilities is rising across the board. Paradoxically, however, SOF units are not well integrated into NATO relative to other capabilities, nor are there international interoperability standards for SOF. Beyond some efforts to integrate SOF within the NRF, surprisingly little has been done to create a dedicated alliance capability in this critical area. A recent paper published by the U.S. National Defense University (NDU) concludes that the “SOF of NATO members, including the United States, are not organized to collaborate for the purposes of improving capabilities, increasing preparedness, or operating jointly.”²³

The NDU paper advocates establishing a dedicated SOF force of approximately 500 personnel that would constitute an “inner core” capability for NATO. Member states would contribute SOF personnel to total 150 to 200 actual “shooters,” with the remaining force constituting deployable C⁴ISR and support capabilities. A “wider network” of allied SOF units would commit to cooperative training, exercises, and doctrinal development in anticipation of joint missions.

Not everyone supports the idea of creating a NATO-based SOF capability, however. To date, many countries have seen SOF as purely national assets, with limited possibility of joint training or deployment in support of NATO missions.

The most realistic prospect for the future of SOF in NATO probably lies somewhere between these poles. Given the post-9/11 operational tempos experienced by the SOF units of many NATO countries, it is clear that both increasing national SOF assets and making the most efficient use of these capabilities constitute important Alliance priorities. This is particularly true in the case of peacetime uses of SOF for “foreign internal defense” missions designed to strengthen the indigenous capacity of a host nation. Given the rising demand in this mission area, NATO allies would benefit greatly from taking a more cooperative approach to allocating limited SOF assets around the globe. Such an approach could begin with an informal “force allocation” conference in which NATO countries would come together to assess and share plans for meeting the peacetime demands for SOF on a global basis.

Here, it is important to emphasize the distinction between direct and indirect capabilities. Whether the mission is counterinsurgency in Iraq or Afghanistan or preventative operations in Africa or Central Asia, SOF play a vital role across the range of military operations. As leaders at Riga contemplate the challenges encountered in Afghanistan as

²² Major General Gary Harrell, “Coalition SOF Support to the War on Terrorism,” Presentation to National Defense Industrial Association, SO/LIC Symposium & Exhibition, Washington D.C., February 2, 2005.

²³ David Gompert and Raymond Smith, “Creating a NATO Special Operations Force,” *Defense Horizons* (Washington, D.C.: National Defense University, March 2006). This section of the NATO Summit Primer draws heavily on this article and is recommended for anyone interested in NATO SOF capabilities.

well as likely future operating environments, they should assess the relative strengths of various SOF units in member states and recognize that indirect action capabilities may well be more valuable to NATO than purely kinetic assets.

In the United States, SOF capabilities occupy a prominent position in defense policy and military operations and are central to what U.S. officials are now calling the “long war.” Long an underfunded and underutilized set of capabilities, U.S. SOF units have experienced a dramatic increase in operational tempo and an 80 percent increase in funding since 9/11. In 2004, President Bush gave U.S. Special Operations Command (SOCOM) the lead in prosecuting global counterterrorism operations. The recent Quadrennial Defense Review report promised further large increases in personnel and funding. While these should be what defense journalist Sean Naylor has termed “salad days” for American SOF, the challenges inherent in a resource-rich environment are not without a degree of risk.

A growing concern facing SOF on the U.S. side of the Atlantic is determining the correct balance between direct and indirect action capabilities. Direct action forces are those tasked with the man-hunting, assault, and reconnaissance missions that are useful against high-value targets. Indirect action forces, like the Army’s famed Green Berets, are trained in unconventional warfare and foreign internal defense operations, which are typically conducted *by, with, or through* indigenous forces. Some analysts are concerned that indirect capabilities – which stand the best chance of addressing the underlying conditions that lead to the types of instability that threaten the United States and Europe – are not receiving the attention they warrant.²⁴

In Europe however, unique capabilities exist that, while not typically thought of as SOF, are similar to U.S. civil affairs or, indeed, the Army’s Special Forces. Several European countries possess constabulary forces that, properly resourced and employed, could make valuable contributions to current and future coalition operations. From the Italian *Carabinieri* to the French *Gendarmerie*, numerous European constabulary units have deployed overseas in various peacekeeping operations. David Armitage and Anne Moisan from NDU have recommended that the new European Gendarmerie Force and other constabulary capabilities be encouraged “to participate in the postcombat phase of multinational military operations.”²⁵ At the very least, it is clear that the European Union is attempting to create irregular warfare capabilities at precisely the point where the United States has much less comparative advantage. In the transatlantic security field, where the refrain has long concerned the U.S.-Europe “capability gap,” Europeans are well positioned to make a disproportionate contribution in indirect action capabilities.

Finally, while U.S. SOF number approximately 53,000 personnel, more than 80 percent of those deployed operate in Central Command’s area of responsibility, leaving much of the world relatively uncovered. In May 2006, SOF officers from North America and

²⁴ David Tucker and Christopher Lamb, “Restructuring Special Operations Forces for Emerging Threats,” *Strategic Forum* (Washington, D.C.: National Defense University, January 2006).

²⁵ David Armitage and Anne Moisan, “Constabulary Forces and Post-conflict Transition: The Euro-Atlantic Dimension,” *Strategic Forum* (Washington, D.C.: National Defense University, November 2005).

Europe met at a conference in Germany to discuss how best to create theater security in regions threatened by instability and terrorism – particularly Africa, where many European countries have historical ties and knowledge. NATO and the European Union may need to consider designating continental SOF capabilities to build partner capacity in Africa and other regions where European countries have both an interest and cultural awareness. An important future requirement for NATO members will be discussing how the planned U.S. Africa Command will impact force sizing and shaping for both the U.S. military and the European nations with historic and ongoing ties to a region undergoing rapid change.

In conceptualizing both the process and the promise of better integrating a growing set of U.S. and allied SOF capabilities, it is helpful to consider what U.S. commanders at SOCOM consider the four “SOF Truths:” humans are more important than hardware; quality is better than quantity; SOF cannot be mass produced; and competent SOF cannot be created after emergencies occur. The first three “truths” remind leaders from allied countries with flat or declining defense budgets that investments in SOF capabilities can create disproportionate value to NATO. The last “truth” should give a sense of urgency to all those tasked with developing SOF to meet the challenges of an irregular threat environment today and tomorrow.

NATO Ballistic Missile Defense

In 2002, U.S. President George W. Bush laid out a vision for defending not only the United States, but also its friends and allies against the growing threat of ballistic missiles. The President stated, “Because the threats of the 21st century also endanger our friends and allies around the world, it is essential that we work together to defend against them. The Defense Department will develop and deploy missile defenses capable of protecting not only the United States and our deployed forces, but also our friends and allies. The United States will also structure our missile defense program in a manner that encourages industrial participation by other nations.”²⁶

The proliferation of weapons of mass destruction and short-, mid-, and long-range missiles, the nuclear weapons capability of North Korea, and nuclear developments in Iran underscore NATO’s need to field a system capable of protecting its forces, territory, and population. Propelled by these threats, NATO is working on three different initiatives. Specifically, NATO is working with Russia on potential joint Theater Ballistic Missile (TMD) operations, developing an Active Layered Theater Ballistic Missile Defense (ALTBMD) capability by 2010, and continuing to study options for a territorial Missile Defense (MD) system.

²⁶ President George W. Bush, “President Announces Progress in Missile Defense Capabilities,” December 17, 2002 (<http://www.whitehouse.gov/news/releases/2002/12/20021217.html>).

Stabilization and Reconstruction Initiative (SRI)

Over the last few years, NATO has focused on acquiring the capabilities it needs for new missions. To date, that effort has revolved almost exclusively around traditional military capabilities. However, as past and current missions have often shown, today's operations rarely end when major combat comes to a close. Instead, military forces are commonly left to pick up the pieces and fill the gaps until civilian actors arrive and begin long-term reconstruction. In Afghanistan and elsewhere, NATO is grappling with this reality and trying to identify ways that its capabilities for these types of missions can be strengthened or if new capabilities are needed. The Riga Summit will come too soon for NATO to launch a new initiative in this regard. What NATO watchers should expect, though, is a tasking for the Alliance to examine ways in which NATO's role in stabilization and reconstruction (S&R) missions could be improved.

Multiple proposals exist for strengthening NATO's S&R capabilities. On the more modest side, some have suggested that NATO simply reorganize its forces for S&R missions. This would involve reassigning forces that primarily focus on the local population (civil affairs, military police, and engineers) to a special S&R task force that could be deployed in tandem with NRF combat forces.

Others have proposed that the Alliance create NATO Stability Teams of 20 – 100 personnel who could leverage the comparative advantage of host countries in the face of humanitarian crises and reconstruction tasks. This model is well suited for NATO's smaller members who are unable or unwilling to invest in the high-end capabilities that combat troops require.

Hans Binnendijk and Richard Kugler, both of the Center for Technology and National Security Policy at the National Defense University in Washington, put forward a more ambitious proposal: NATO should create a separate S&R Force, consisting of modular forces (mostly ground troops) that could be assembled in different combinations to generate the necessary mix of S&R capabilities.

Whether or not the Alliance will create a Stabilization and Reconstruction Initiative for its next summit in 2008 or 2009 will depend on the allies' ability to agree on NATO's future roles and missions. Some allies still resist the idea of NATO establishing and sustaining the peace. At a very minimum, though, NATO should strengthen its coordination with civilian and humanitarian organizations (such as the EU, the Organization for Security and Cooperation in Europe, and the UN). Too often coordination starts only after forces arrive in theater. NATO should build habits of cooperation before crises arise to improve unity of effort on the ground and enhance the effectiveness of NATO operations. The Danish proposal to conduct "Concerted Planning and Action" (CAP) of civilian and military activities is a good starting point for such coordination and should be put on NATO's next summit agenda.

The NATO-Russia Council is working to improve interoperability between existing NATO and Russian TMD systems. Common TMD terminology and an operational concept have already been agreed upon. These developments are being evaluated through common TMD command post exercises (CPX) and a Live Exercise is planned for 2007. The NATO-Russian Council will use findings from these exercises to study the possibility of future integration and joint TMD operations.

On March 11, 2005, the North Atlantic Council approved the ALTBMD program charter, marking a key milestone in NATO TMD development. The ALTBMD program is designed to defend forces deployed in operations. NATO has decided to fund the development of a joint BMC3I-system for such a deployable system, based on national sensors and shooters. There is firm support by several NATO allies for this program. Recently, the selection of an international consortium of firms led by the American company SAIC to build the Integration Test Bed for the ATLBMMD indicated further progress in this capability area.

At the 2002 Prague Summit, NATO commissioned a four-year analysis of the most technically feasible and cost effective way of developing a territorial missile defense system. The discussion on the possible development of a territorial missile defense is a parallel process, which should be distinguished from the ALTBMD Program. On May 10, 2006, the NATO Missile Defense Feasibility Study announced hopeful prospects in both the technical and financial areas. These key conclusions, however, have not convinced all of the NATO member states. In fact, the technical efficacy of the system and the costs that will be incurred to develop and deploy it remain substantial obstacles to achieving an alliance-wide defensive shield.

The MD discussion at Riga will likely act as a barometer of the Alliance's ability to overcome the challenges associated with collective BMD development. It will provide a forum for NATO MD proponents to reiterate the positive judgments made in the study, namely that the Alliance can both deploy a technically effective system and do so within reasonable financial constraints. The summit will also provide the opportunity to call for greater cooperative action in the Alliance's MD development.

NATO allies will face several issues as they strive to develop this capability. NATO BMD development is contingent upon member states' agreement to contribute to advancing this system. Its single greatest challenge, therefore, is likely to be winning – and maintaining – support for an (at times) controversial program. At a point when states' defense budgets are stretched thin by counterterrorism and other important efforts, prioritizing NATO defenses to win the funding to field the system will be an ongoing challenge. In September 2006, the U.S. Congress included in the FY2007 defense budget \$24 million less than the Department of Defense requested for a national missile defense site in Europe. If national missile defense systems lack support from the U.S. Congress, NATO BMD capabilities will suffer as well.

Provided states are willing to support NATO BMD development and, therefore, contribute resources toward achieving this capability, the issue will then become the level

of interoperability and cooperation that can be achieved in order to field the most technically and fiscally effective system possible. To build the Alliance-wide defenses envisioned, the individual missile defense capabilities of states such as the United Kingdom, Germany, France, the Netherlands, Spain, Italy, Norway, Turkey, and the United States must be both interoperable and integrated. This is a huge challenge – and will likely be previewed in Riga with calls for cooperation in and commitment to BMD interoperability and capability-sharing.

Data sharing presents another potential obstacle to NATO BMD development. In order to deploy an effective system, data must be shared not only among the land-, sea-, and space-based assets, but also among member states. This is an area where the United States has encountered difficulty in the past; it could prove to be an issue for the Alliance, as well. A potential but daunting solution would be the development of NATO-wide common systems and communications.

The NATO BMD Feasibility Study highlighted the growing threat of long-range ballistic missiles, the technical feasibility of deploying missile defenses, the efficacy of ALTBMD against short- and mid-range missile threats, and the trade-offs between performance and robustness that are likely to be encountered. In light of this data, missile defense is a capability that not only makes sense for NATO in today's security environment, but is also a step toward transforming NATO into an alliance that can more capably protect its members from 21st century threats.

In Riga, NATO leaders should highlight the key findings of the Feasibility Study and draw parallels from these findings to the security concerns that NATO member states face today. NATO leaders should reiterate their support for national missile defense systems, while pointing out that it is member states' responsibility to invest in and develop these programs in a way that eases interoperability with allies and promotes integration into an alliance-wide system. Finally, leaders should be specific about the data and other potentially proprietary assets that allies will need to share in order to field an effective and efficient BMD system. Being explicit and straightforward from the outset will enhance the likelihood of states' willingness to accept these conditions and eliminate delays due to disputes at a later point in the process.

These challenges and the actions that are required for the Alliance to surpass them are not small. It is unreasonable to expect an historic and diverse alliance to adapt as quickly as the international environment shifts. It is equally unreasonable, however, not to invest in transforming the world's most powerful military alliance to meet changing security needs.

Recommendations

- *NATO should develop a standard template that can accelerate negotiation of status of force agreements.*

The NRF mission in Pakistan clearly exhibited the consequences of not having status of force agreements in place in advance. Precious time was wasted sorting out the terms of entry, force protection, legal status, and communications channels. Because NATO cannot negotiate status of force agreements with all nations that might rely on NATO assistance in the future, NATO should create a standard template that could be used on short notice and resolve a number of common problems.

- *NATO should create multinational logistics units in those areas where obvious commonality exists, such as fuel, water, food, and spare parts and maintenance for common platforms.*

The NRF's mission in Pakistan showed how inefficient it is when each participating country supports its own troops and duplicates personnel. The NRF would dramatically improve its efficiency if NATO developed a multinational logistics command (ideally with financial support from all NATO members) to spearhead logistics planning and operations. Funding or staffing such a command would allow countries with smaller numbers of expeditionary troops to make a positive contribution to NRF missions. NATO should also create multinational logistics units, a move that could yield sizeable savings.

- *NATO should expand common funding for operations.*

Daunting upfront costs discourage members from volunteering for future missions or NRF rotations. An easy, affordable, and cost-effective way to surmount this "pay if you play" problem is to create an expanded NATO common fund for operations. If all NATO countries provide less than 0.2 percent of their annual military expenditures to this fund, enough monies could be raised to reimburse those states that absorb front-end costs. This would ensure that there are no "free riders" in the Alliance, sharing the operations burden equitably between those who contribute forces and those who do not.

- *Review NATO airlift requirements and consider the acquisition of additional C-17s.*

While the purchase of four C-17s will significantly add to the Alliance's strategic airlift assets, it may not guarantee a sufficient amount of this increasingly important capability. NATO's requirements for strategic lift must be reviewed, taking into account the Alliance's expanding list of roles that now includes warfighting, humanitarian relief, disaster response, peacekeeping, and crisis management. If the combination of four commonly-owned C-17 and SALIS-leased Antonov-124s does not meet these requirements, the procurement of C-17s must be broadened before Boeing's current production line closes and the price per unit of each aircraft skyrockets.

- *Restate the Alliance's commitment to developing the AGS system.*

The AGS program is an important transatlantic effort to develop a truly transformational capability: improved situational awareness for NATO forces in all types of operations.

The Alliance must reaffirm its intention to acquire this capability and nations should focus on this collaborative effort rather than develop competing alternatives.

- *NATO should design an Alliance mechanism for acquisition, maintenance, and operations of common assets.*

This mechanism should be based on experience gained in creating and managing the various Weapon System Partnerships and the NATO-owned and -operated AWACS program. Having such a mechanism in place will remove the current need to re-invent the wheel every time a NATO-owned and -operated capability is acquired. Ideally, this mechanism would be in place as the AGS contract is signed and will facilitate this program's progress. It could also be used in generating other collaborative assets, such as air-to-air refueling aircraft and heavy lift helicopters.

- *Highlight the advantages to member states of strategic partnerships for complex capabilities.*

As more complex and more costly capabilities become crucial for NATO's international interventions, strategic partnerships between some – if not all – of its members will be essential. The advantages of these strategic partnerships are not always clear to decisionmakers at the national level. NATO officials must explain the benefits to national leaders even as they confront the challenges that implementing multinational partnerships will pose. This will minimize the risk involved in creating and managing such partnerships and increase the confidence that member nations have in NATO's ability to do so.

- *Build closer training and exchange relationships between NATO and Alliance SOF units.*

Most allied SOF units have numerous bilateral exchange and training relationships. From individual soldiers attending foreign training schools, to entire units holding joint exercises, NATO should attempt to catalogue, assess, and encourage these types of relationships. NATO could create a standing capacity to facilitate these relationships by expanding the work done within the NRF model. Whether by establishing a standing SOF cell within the NRF or SOF joint task force that would report directly to SHAPE, creating formal mechanisms to facilitate more extensive SOF relationships is in NATO's interest.

- *Identify the comparative advantages of each nation's SOF and promote the sharing of knowledge and best practices.*

One of NATO's primary benefits is the range of expertise and unique knowledge that national forces bring to Alliance and coalition operations. While comparative advantages are operative in purely conventional operations (knowledge of terrain for example); they are far more prevalent and useful during irregular warfare missions. From intelligence to language, cultural awareness, and historic ties, some nations can contribute unique SOF

skill-sets others lack. NATO should identify areas in which particular nations have unique and valuable skills and encourage them to take a lead in sharing their knowledge and skills with others.

- *NATO should consider creating a limited SOF capability.*

While building the NATO Response Force was a difficult and complex affair, the capability now exists and will likely play a prominent role in future Alliance missions. NATO should explore whether the NRF model can be applied to SOF, as well. Building an organic SOF capability would involve far fewer complexities, as it would be only a fraction of the larger conventional NATO force structure. If nations see the larger NRF structure as being advantageous to their forces, they may be more inclined to garner similar benefits for their highly prized SOF units.

- *Place more emphasis on and better coordinate the use of indirect SOF assets.*

The current threat environment has forced the United States and other nations to quickly grow their abilities to prosecute effective pre- and post-conflict operations. In both Iraq and Afghanistan, the loss of momentum after major combat operations damaged the prospects for a sustained peace. From Special Forces teams to civil affairs, psychological operations, and foreign military training teams, NATO should make so-called “white SOF” a higher priority in strategic guidance, doctrinal discussions, and capability assessments. In particular, integrating indirect action capabilities as core components of future NATO missions would serve the Alliance well. In addition, given the rising demand for these assets worldwide, NATO allies should take a more cooperative approach to the allocation of their collective white SOF assets around the globe, holding informal “force allocation” conferences in which NATO countries could share plans for how they plan to deploy these forces for foreign internal defense and other peacetime missions.

- *NATO should continue to conduct cost-benefit and technical analyses of BMD options.*

While the BMD Feasibility Study was an important and good start, NATO experts must perform a thorough analysis of the full range of BMD options to show that an effective BMD capability can be shared among allies that have varying levels of available technical and financial resources.

- *NATO should release studies that demonstrate the technical feasibility and cost implications of a viable BMD system.*

In addition to accomplishing these studies, the information gathered and the conclusions reached must be shared among NATO members. Openness in this area (without releasing sensitive technical data and assuming the conclusions remain positive) will augment support for NATO BMD at the national level.

- *NATO must address areas where technical data and other potentially proprietary information must be shared.*

Identifying the restrictions on discussing and more importantly, sharing sensitive technical data among allies from the outset will reduce the likelihood of stalling BMD development at later stages even as it helps identify alternative avenues allies can take.

- *NATO member states should invest in national missile defense capabilities, particularly in a manner that supports interoperability and integration.*

NATO capabilities rely almost without exception upon the contributions and resources of its members. Therefore, in order to field an Alliance-wide Ballistic Missile System, states must support not only the development of NATO BMD capabilities, but also the development of these capabilities within their national purview. To the extent that these national capabilities can be made interoperable and designed with the intent (or possibility) of integration into an alliance-wide system, the more likely it will be that the NATO BMD system ultimately selected will fall within the technical and financial parameters set by the member states.

3. NATO's Summit Agenda: Current Operations

Beyond transformation, the Riga Summit will focus heavily on NATO's current operations. First and foremost, NATO's ongoing mission in Afghanistan will serve as an indicator of the Alliance's viability and effectiveness in tackling 21st century challenges. Does NATO have the political will to commit the capabilities the mission requires? Will allies improve their interoperability, enhance civil-military cooperation, and match commitments on paper with actual resources or will the ongoing tension surrounding this mission stifle progress? Worse yet, will there be an underlying push to end the mission sooner rather than later? The Riga Summit will be used to gauge allies' commitment to stay the course as well as their interest in undertaking future missions of this kind.

NATO's current mission in Darfur will likely be highlighted at the summit, although it is doubtful that any new developments will be unveiled. Finally, depending on world events, other corners of the world might make their way onto the agenda as well – in particular, Kosovo. By and large, however, it is Afghanistan that will set the tone for the summit deliberations and serve as the barometer with which to gauge the vitality of the Alliance.

Afghanistan

Given the fluidity of the situation on the ground, it is hard to know how the Afghanistan mission will influence the Riga Summit's tone and end results. Any signs of retreat or fatigue, however, could have serious implications for the summit, the Alliance's unity of effort, and NATO's future.

When NATO assumed command of the ISAF in Afghanistan in August 2003, it represented a watershed in Alliance history – the first mission outside the Euro-Atlantic Area. ISAF was given a peace-enforcement mandate by the UN Security Council under Chapter VII of the UN Charter. The mission was originally limited to Kabul until an October 2003 UN resolution paved the way for a long-sought expansion. Stage one, which took place in 2003-04, expanded ISAF's area of operations to the northern part of Afghanistan. Stage two came into force in 2005, when NATO moved into western Afghanistan. Stage three was officially launched in late July 2006 when the Alliance took over the volatile southern Afghan theater from the U.S.-led Operation Enduring Freedom (OEF). Finally, on September 28, 2006, NATO decided to take over the remaining eastern provinces as part of stage four.

The ISAF mission aims to assist the elected Afghan government in maintaining security, expanding the authority of the government, and providing an environment conducive to reconstruction, democratic governance, and rule of law. To meet these goals, NATO is undertaking a wide variety of tasks, ranging from the training of Afghan security forces

to supporting anti-narcotics efforts to high-intensity combat. The efforts mirror two sets of strategic challenges in Afghanistan: one in the relatively stable north and west of the country and another in the often violent south and east, where NATO forces are involved in intense and fierce fighting against the Taliban and taking casualties fairly regularly.

The NATO operation in Afghanistan is in itself a remarkable achievement. Given the distance from Brussels, complexity, and operational environment, ISAF would have been an unimaginable mission just ten years ago.

Many observers believe the ISAF mission marks the birth of a “global NATO” that is willing and able to face 21st century threats. Others, however, are increasingly skeptical about the operation’s long-term sustainability. SACEUR General James Jones called for an additional 2,000 troops in September 2006. The deafening silence that followed raised questions about whether NATO had the political will and adequate capabilities to succeed.²⁷ With some countries spending as little as 1.4 percent of GDP on defense – despite NATO’s target of at least 2 percent – Europe’s progress in creating forces prepared for expeditionary operations has been slow. Only a small percentage of Europe’s roughly 2 million troops are deployable. Estimates range from 3 to 5 percent, and this does not account for parliamentary or constitutional restrictions on their actual use.

Those European troops that are deployable are often tasked with peacekeeping or stabilization missions because they are simply not equipped and trained for high-intensity combat. In other cases, the decision not to send troops (or additional troops) into combat in southern Afghanistan is rooted more in politics than preparedness. Some European political elites assume their publics will rally behind benign and safe humanitarian deployments but will not tolerate soldiers coming home in body bags. Others place their troops under strict national caveats on the rules of engagement or geographical mobility, limiting their utility for fast-paced combat operations where allies have to come together on short notice to face an adaptive adversary. As a result, only a small number of NATO countries have both the capabilities and the political will to undertake and sustain high-intensity combat operations.

Another potential setback on NATO’s ability to succeed in Afghanistan is the undercurrent of resentment among European leaders. Many Europeans believe that the United States abandoned Afghanistan to pursue the unpopular Iraq war, leaving European governments and forces to deal with a dangerous security situation the Iraq War in part created. These critics doubt that Afghanistan would be witnessing a fierce Taliban resurgence if the United States had maintained its focus and troop presence over the last five years.

Getting Afghanistan Right

Despite the mounting skepticism about the Alliance’s ability to succeed in Afghanistan, failure is simply not an option. In the months and years ahead, NATO allies will need to

²⁷ A handful of countries, including Poland, eventually stepped forward and it now appears that the request will be met.

make a number of mid-course corrections both on the ground and within their capitals. In the short term, NATO will need to commit the troops and capabilities needed to ensure success. In the long term, assuming NATO is going to undertake more missions like Afghanistan, the Alliance will need to continue developing and acquiring expeditionary capabilities, including strategic lift and air-to-air refueling. In addition, it will need to improve coordination and unity of effort on the ground, including with organizations handling the civilian side of reconstruction. Finally, NATO will have to get the balance between security and development just right.

Security First, Development Next, and Drug Control Last

Political and military leaders increasingly agree on the interdependent relationship between security and development. As British Prime Minister Tony Blair recently stated, “Without progress – in democracy and in prosperity – security is at risk. Without security, progress falters.”²⁸

To ensure that security and development efforts would proceed in tandem, the international community – first Operation Enduring Freedom (OEF), then ISAF – adopted a Provincial Reconstruction Team (PRT) model for Afghanistan. PRTs usually consist of a small operating base from which a group of specialists work to perform reconstruction projects or provide security for others involved in aid work. Today, over 20 PRTs are led by NATO allies, making up the bulk of NATO’s stabilization efforts. Because the Alliance has not been able to standardize the PRT concept, each PRT differs from the next. They all, however, combine military and civilian staffs and aim to extend the authority of the Afghan central government, promote security, and facilitate reconstruction operations. While many PRTs have been beneficial, they also have blurred the roles and responsibilities among military and civilian players, which is confusing both for allies and the local populations.

Another challenge in balancing security and development has arisen in Afghanistan’s southern provinces. Before the fall of 2006, very little was done in either arena. Now, NATO troops are busy defeating insurgent forces but stabilization efforts remain stagnant. Most experts agree that both reconstruction and security must be pursued simultaneously but there is no agreement, particularly among NATO allies, on what model to use to do so. Given their success in other parts of the country, PRTs are frequently cited as the best path forward but the current combat environment prevents civilian players from operating effectively in many areas. NATO could try to play a greater reconstruction role but a number of allies are uncomfortable with this prospect.

Afghan President Hamid Karzai has developed another solution for the problems of his country’s conflict-ridden south – so-called Afghan Development Zones (ADZ). The ADZs are small, secure pockets that enable development under the auspices of civilian organizations. The hope is that success will breed success – that Afghans living outside the zones will increasingly desire the same security and development for themselves.

²⁸ “Blair wants world to unite in reconciliation after Iraq,” *Western Mail*, May 27, 2006, First Edition, p. 9.

The concept has promise, but risks as well; for example, rapid relative deprivation could alienate those living outside the ADZs.

The security-development dilemma will require lengthy and likely tense debates in NATO. While the varied challenges will not be resolved in time for Riga, the issue should certainly be part of NATO's long-term agenda.

Drug Control vs. Security

The other major challenge in Afghanistan relates to drug production. In September 2006, the UN Office on Drugs and Crime Executive Director Antonio Maria Costa concluded that a 59 percent increase in opium cultivation has occurred in Afghanistan during 2006. Everyone agrees that terminating opium production in Afghanistan would be a good thing. Yet, the short-term consequences of doing so could be disastrous for the security situation.

British Army Chief General Sir Mike Jackson has argued that eradication of opium production could be counterproductive under the current circumstances.²⁹ In General Jackson's view, the pockets of security that currently exist in Afghanistan reflect positive relationships between ISAF and the local warlords – relationships that are positive only because ISAF is not involved in poppy eradication. If ISAF suddenly got involved in poppy eradication, General Jackson reasons, those positive relationships could quickly turn violent and ISAF would face a greater amount of resistance and armed conflict.

Should NATO be content to provide security in Afghanistan only with the tacit approval of drug barons? The situation is distasteful, yet at current force levels, NATO cannot take on warlords with links to drugs production. Further complicating the matter, a number of warlords have been instrumental in bringing security to various parts of the country, making them de facto partners of the Alliance.

General Abdurrashid Dostum is one example. Dostum was instrumental in the capture of the northern city of Mazar-e-Sharif in 2001. Yet, he has previously fought together with the Soviet Union and is accused of gross war crimes and human rights violations. In March 2005, he was appointed President Karzai's Chief of Staff for Military Affairs. Thus, ISAF's efforts to work with Karzai automatically include working with Dostum. Paying off warlords in the Northern Alliance to destroy Taliban positions was a clever tactic, yet it has created significant and undesirable repercussions for the nation building effort.

Whether or not General Jackson's fears are justified, a number of basic facts make poppy eradication difficult for NATO. First, opium production is the only income for many Afghan farmers. Depriving the farmers of their livelihood would force some of Afghanistan's weakest segments of society into utter misery. While any responsible

²⁹ "US defends opium policy despite Afghanistan violence," *Guardian Unlimited*, August 8, 2006 (<http://www.guardian.co.uk/afghanistan/story/0,,1839907,00.html>).

poppy eradication program would aim to replace the farmers' opium harvest with alternative crops, there are not a lot of good substitutes that would produce immediate results. Second, eradication might setback efforts to win Afghan hearts and minds. If the Alliance burns poppy fields, it will provide unemployed opium farmers with an incentive to join the warlords fighting NATO forces. In any event, ISAF has no mandate to conduct drug control.

After Riga

The Alliance should use the Riga Summit to reaffirm its commitment to ISAF and show the Afghans that it will commit the necessary capabilities and resources to succeed. After the summit, NATO allies will need to define ISAF's role in security sector reform and agree on how to balance reconstruction and security objectives. NATO also needs to resolve the poppy eradication debate. While Afghanistan's future is tied to its ability to eliminate drug production, NATO's role in these efforts should be limited. NATO allies should, however, investigate ways other instruments and organizations can help Afghanistan with this complex, and long-term challenge. Finally, NATO should outline concrete goals and objectives for its eventual withdrawal, which may help European political elites sell the mission to their increasingly nervous publics.

Kosovo

When NATO leaders gather in Riga, they will inevitably discuss the future of NATO's Kosovo Force (KFOR). Kosovo is at a critical juncture. A general consensus has emerged that the status quo is untenable because the political ambiguity is fostering crime, corruption, radicalism, emigration, and weakening Kosovo's institutions. Consequently, NATO should use the Riga Summit to reaffirm its commitment to Kosovo while recognizing that the nature of the conflict has changed. Security threats increasingly have intrastate rather than interstate origins. Therefore, future peacekeeping and peacebuilding functions will have to focus on issues of sustainable development, governance, and rebuilding institutions. While it is unlikely the Riga Summit will produce meaningful new initiatives on Kosovo, it should nonetheless be a first step in mapping out NATO's future posture in the event of an independent Kosovo.

It has been seven years since NATO forces moved into Kosovo to reverse the mass expulsion of Albanians and restore stability in the volatile Balkans. At present there are 16,000 NATO troops in Kosovo from 35 member and non-member states. Most of KFOR's responsibilities revolve around maintaining order and public safety through a range of patrolling activities such as manning checkpoints and border crossings. Some KFOR forces are also charged with protecting various cultural and religious sites from aggression and vandalism. Over the past seven years, NATO troops have successfully minimized inter-ethnic violence, demilitarized the Kosovo Liberation Army (KLA), and deterred Serb military incursions. After the KLA disbanded itself, NATO collected and destroyed tens of thousands of small arms and other weapons. Finally, Alliance soldiers support the UN Interim Mission in Kosovo (UNMIK) and complement some of the policing functions of the 4,000-member UNMIK police force.

Now, after spending billions of dollars on reconstruction and contemplating an array of lowest common denominator solutions, the international community finally seems poised to accept Kosovo independence as the only viable option for lasting peace and economic development. On September 20, 2006 the Contact Group – the multi-state body designated as an intermediary in the status negotiations – authorized UN mediator Martti Ahtisaari to propose within six weeks a plan for final settlement that neither Belgrade nor Pristina could block unilaterally. Once the Contact Group approves a general agreement with Ahtisaari, the UN Security Council is likely to issue a neutral resolution whereby Kosovo would be able to declare its independence without UN opposition. Ahtisaari is likely to recommend independence, arguing that because the two sides cannot reach a compromise, the only viable option is *de jure* separation and Kosovo's statehood.

In all likelihood, Kosovo will be granted staggered independence, whereby, under the supervision of international players, Kosovo authorities will progressively gain full control of various state functions. As Kosovo's independence progresses, the international military and political presence will be gradually scaled down.

These developments raise the question of what NATO's commitment should be after the final status question is settled. Some observers argue that if Kosovo gains independence, it also will have to assume the domestic and international responsibilities of any other legitimate state. However, rapid disengagement by the international community, especially by KFOR, could undermine Kosovo's stability. It would be a mistake for NATO to downgrade its Balkan commitment at this crucial juncture.

Recommendations

- *NATO must stay the course in Afghanistan, even as it strives to reduce the need for its presence.*

At present, the question is whether to increase – not decrease – troop levels for ISAF. Regardless, ISAF's premature withdrawal must be avoided. However, this does not rule out beginning to define criteria for a responsible peaceful withdrawal. What levels of security and development must be sustained before gradual troop withdrawal may be initiated? Building up the Afghan National Police and the Afghan National Army to desired levels are important first steps. NATO may benefit from defining these criteria on its own terms, rather than waiting for other actors to set the agenda regarding troop reduction.

- *NATO should identify its role in Afghanistan's Security Sector Reform.*

NATO needs to carve out its role in the Afghanistan's Security Sector Reform (SSR). The Alliance is faced with high expectations, increasingly so due to the very light UN footprint in Afghanistan, and the EU scaling down its efforts. Effective security sector reform, entailing the provision of security under democratic civilian control, is vital. A

design for SSR should be part of the operational plan upon early deployment, and not merely introduced into an exit strategy at later stages.

- *NATO needs to develop the PRT concept further and standardize its approach.*

A clear strategy, rather than national caveats, should determine the profile of PRTs. An overarching assessment of PRT's long-term impact might help determine which PRT model should be incorporated into NATO Stability and Reconstruction operations. PRTs and the civil-military cooperation they enable may be relevant in other theaters, and possibly also for other international organizations, such as the UN.

- *ISAF and NATO should not engage in poppy eradication in Afghanistan.*

At present, stabilization and security concerns are at odds with drug control in Afghanistan. This is an unfortunate situation. Given its limited mandate and resources, ISAF would be wise to stay out of drug control – such as active eradication – and should focus on security sector reform. The Afghan security sector should enforce drug control as it becomes better prepared for this formidable task. At the same time, NATO allies should seek to assist the Afghans with this complex and long-term challenge through other instruments and organizations.

- *NATO should preserve its force in Kosovo until stability is assured.*

After Kosovo's status is resolved, the international community's continued presence will be necessary to enforce compliance with the provisions of any settlement. KFOR will have to continue maintaining security and stability by performing various policing and patrolling functions. A major escalation of tensions and armed conflict are highly unlikely to result from the final status resolution, but episodic acts of violence and interethnic clashes might occur and will have to be quelled at the onset.

- *NATO should continue training local forces in Kosovo and ensure their multi-ethnic character.*

KFOR has successfully established and trained both the multi-ethnic Kosovo Police Service (KPS) and the Kosovo Protection Corps (KPC), which deal with disaster relief, demining activities, and infrastructure repair. But NATO will have to remain involved in the recruitment and training of members of both KPS and KPC, especially as a greater number of responsibilities are transferred to the two bodies.

- *NATO's role will be vital in building a professional Kosovo army and intelligence services.*

Kosovo's current status as a ward of the international community has distracted attention from the vital task of developing its own security forces and intelligence services. As the territory moves toward full sovereignty and statehood, it will have to develop and train its own defense force, especially if it harbors aspirations for eventual NATO membership.

KFOR could be instrumental in the process of consolidating security and intelligence institutions in line with NATO standards.

- *NATO should ensure order and compliance with international standards during the return of refugees.*

Finalizing Kosovo's status and signing border treaties under NATO and EU supervision will undoubtedly contribute to regional security and stability. At the same time, it may require supervision of any potential movement of people, return of refugees, and settling of property rights. Due to the long-standing political ambiguity, progress has so far been slow on assisting the return of displaced persons. A continued NATO presence will supplement Kosovo's official efforts to ensure safe refugee return, even as it serves as a confidence-building mechanism for the local populace.

- *NATO will have to assume some political functions in assisting with Kosovo's transition.*

Additionally, NATO will likely have to increasingly assist in non-traditional roles such as consolidating democratic institutions, protecting minorities, addressing crime, curbing corruption, and normalizing Kosovo's relations with its neighbors. NATO has both the mandate and the institutional capacity to supervise and enforce the implementation of any Kosovo settlement agreement and democratic standards, while other international bodies like the OSCE have so far assumed mainly monitoring and assessment roles.

Some critics assert that NATO is a military alliance and that that the UN and the EU might be better suited for this next stage of development in Kosovo. However, NATO forces remain highly respected in Kosovo – especially as the role of the U.N. winds down. Moreover, the EU is considered an economic and political institution, not a security guarantor.

4. Setting the Agenda for NATO's Next Summit

Just as compelling as what is on the agenda at NATO's Riga Summit will be what is left off. The EU-NATO relationship, for example, will not feature prominently in any of the summit proceedings, partly because the tensions surrounding that relationship remain so high and neither the EU nor NATO appears to have fresh ideas for how to address them. Similarly, and almost ironically, many of the toughest issues associated with NATO's military transformation – Allied Command Transformation, transformation concepts, and defense planning – will also be left off the summit agenda. Finally, because non-NATO members were not invited to this summit, the NATO-Russia relationship will not play a major role in Riga. All of these issues, however, have the potential to significantly shape NATO's future success. As such, NATO should make these three areas the centerpiece of its next summit agenda in 2008 or 2009.

EU-NATO Relations

The Riga Summit will focus almost exclusively on internal issues and initiatives. NATO's relationship with other organizations, such as the European Union (EU), will not be discussed in great detail. In truth, there aren't many new developments vis-à-vis the EU-NATO relationship. Having made a few positive steps forward in recent years – including the negotiation of the “Berlin Plus” agreement that allows EU military missions to use NATO assets and the successful transition from SFOR to EUFOR in Bosnia – the relationship appears to be on hold.

Most members of the two organizations agree that the relationship is plagued by mistrust, unhealthy competition, and information sharing problems, but neither NATO nor the EU has stepped forward to solve the problems. Given the long list of competing priorities inside each organization and the deep political differences among members on whether and how to strengthen EU-NATO ties, a degree of stalemate is understandable. In the long term, however, neither organization can afford inaction or inattention. With 19 nations in a congruent geopolitical space that share multiple common interests and challenges, EU-NATO cooperation is both unavoidable and essential.

In 2001, the successful brokering of a peace deal between the Slavs and the Albanians in Macedonia demonstrated the strategic leverage available when NATO's military prowess and the EU's political weight are utilized in tandem. Conversely, NATO and the EU's failure to construct a mutually reinforcing strategy in Darfur exhibited some of the relationship's persistent difficulties and limitations. The intense bureaucratic squabbling between the EU and NATO surrounding the Darfur mission led to duplication of efforts and unclear mandates, inefficiencies, and an uncoordinated response on the ground.

At the strategic level, NATO, as mentioned earlier in this report, is struggling to define its roles and missions in a complex modern security environment, while simultaneously conducting dangerous and demanding operations around the world. The EU is also undergoing a strategic overhaul. Ever since 2005, when the Dutch and the French voted “no” on the ratification of the Constitutional Treaty, the EU has struggled to advance its reform agenda. These strategic ambiguities have paralyzed efforts to construct a concrete framework for future EU-NATO cooperation.

At the political level, diplomatic acrimony between Turkey and NATO concerning Cyprus’ and Malta’s candidacy for the Partnership for Peace (and deteriorating relations between Turkey and the EU) also aggravate the EU-NATO relationship. As Turkey, NATO, and the EU continue to debate the geopolitical status of the two islands, information sharing between the two organizations remains virtually at a standstill, hindering operations in which both institutions are involved.

Personalities have played a negative role in the EU-NATO relationship as well. The Bush and Chirac administrations stand at opposite ends of the spectrum concerning the politicization of NATO. This tension has persuaded many in both NATO and the EU to shelve potentially divisive political initiatives until the French and American administrations change.

In the short term, major changes to the EU-NATO relationship will be difficult for all the reasons listed above. However, a number of pragmatic, small-scale initiatives could be launched in the next year, including enhanced cooperation between NATO and the European Defense Agency; monthly meetings between the NATO Secretary General and his EU counterpart, Javier Solana, to coordinate policies on pressing issues such as counterterrorism and reconstruction operations; and a joint working group to examine the consequences and benefits of defense integration (i.e., pooling, specialization, or multinational procurement). These initiatives could serve as building blocks for more ambitious, long-term proposals such as EU-NATO Crisis Action Teams and joint contingency planning.³⁰

Beyond specific proposals for strengthening coordination and cooperation, the EU-NATO relationship needs a champion. Institutional changes are generally driven by single members, individuals, or groups with the energy, vision, and political clout to move an issue from concept to reality. Ideally, a few interested NATO and/or EU countries will come together to develop short- and long-term proposals for review by the wider institution. A smaller country like the Netherlands, with strong ties to both organizations and a deep commitment to advancing the EU-NATO relationship, would be an ideal candidate to lead such a group. Similarly, Julian-Lindley French, a Senior Associate Fellow at the Defence Academy of the United Kingdom, has proposed that an EU-NATO Long-Term Vision Working Group be created, which would enable the two organizations to look beyond their current operations and limited areas of cooperation

³⁰ Julian Lindley-French of the Defence Academy of the United Kingdom proposed such teams at a meeting at the Atlantic Council in June 2006 in Washington.

and foster a long-term vision for an enhanced partnership on an array of regional and capability issues.³¹

Whatever solution is ultimately found, maintaining the status quo is not an option. The two organizations' overlapping interests and growing interdependence make it not just illogical but impossible for NATO and the EU to keep the relationship limited to a few key issues. At its next summit, NATO should do more than stress the importance of its relationship with the EU. It should use its 60th anniversary in 2009 as a launch pad for a redefined, stronger, and expanded NATO-EU partnership.

Transforming for Tomorrow

The Riga Summit is being billed as a "transformation summit" at a time when NATO's fledgling agent for change, Allied Command Transformation (ACT), is clearly experiencing difficulties in implementing its vision within the Alliance. This seems largely due to the harsh realities of NATO's current operational environment. The Alliance is struggling to meet the political, operational, and financial challenges of operations in Afghanistan and elsewhere. Under such conditions, many allies wonder if it is prudent to divert scarce political and financial resources to experiment with novel technologies and operational concepts. Why should the Alliance invest in network-centric capabilities for the future when it desperately needs more effective technologies against today's Improvised Explosive Devices and Rocket-Propelled Grenades?

The concerns are understandable, but the hard truth remains that transformation is an existential imperative. If NATO does not succeed in creating a culture of ongoing transformation and the capabilities it needs to meet 21st century challenges, it will go out of business.

"Transformation" has become part of the standard defense lexicon in virtually every NATO member. That by itself is an important achievement, especially in military establishments that had become increasingly risk-averse during the Cold War. But beneath this thin layer of rhetorical consensus, there are few signs of substantive convergence. For a few highly influential countries, transformation is primarily about bringing their armed forces into the information age. To others, the concept of transformation implies moving toward an all-volunteer force, or toward a more expeditionary force, or just away from a communist one. Adding to the conceptual confusion, the substance of transformation is also changing over time.

It may be too much to expect an unambiguous, universal definition of a concept like 'transformation.' But NATO can and should aim for a set of systematic benchmarks in defense planning disciplines that would allow both the Alliance and taxpayers to track the nature and extent of transformation across the various NATO countries.

³¹ This idea was also proposed by Lindley-French at the Atlantic Council meeting in June 2006.

Allied Command Transformation

Allied Command Transformation (ACT) in Norfolk, Virginia just celebrated its third anniversary as the Alliance's "forcing agent for change." ACT has itself undergone impressive change since its inception, and it should be commended for pushing a wide-ranging transformation agenda within the Alliance. Since its creation, ACT has developed concepts for Alliance Future Joint Operations, expanded relationships with NATO HQ and agencies, harmonized defense planning and force planning processes, and defined common mission types and planning scenarios. Nevertheless, there is a growing sense in the Atlantic policy community that ACT has not yet lived up to the expectations set at the 2002 Prague Summit. Several areas are frequently mentioned as problematic, including: the defense planning process itself; the effectiveness of ACT's transformation efforts in creating new NATO and member state capabilities; ACT's relationship with NATO HQ, with Allied Command Operations (ACO), and especially with NATO member states; and ACT's current organization and location.

Change is never easy, and ACT was expected to experience a degree of friction with others. Former NATO Secretary General Lord Robertson even referred to ACT as a "virus" purposefully implanted inside NATO to infect the organization. Three years into its existence, however, ACT's impact has not yet been felt throughout the entire NATO organism. Its relative distance (geographic and otherwise) from both Belgium and most NATO member states seems to lie at the heart of this problem. To its credit, ACT is attempting to address this challenge through an enhanced outreach ("Strategic Engagement") campaign, but its impact is hard to gauge.

Fundamentally, ACT's problem is not public relations, but buy-in from member states and other stakeholders in NATO. ACT operates on a basic model whereby nations send representatives to Norfolk (or to the various ACT centers and schools throughout the Alliance) to push transformation in the ACT pressure cooker. Together, these individuals jointly develop various initiatives, which are then handed over to the nations as ACT products. In the future, it may be worthwhile for ACT to consider a more nation-centric model whereby the defense planners who are responsible for transformation in the NATO capitals would be networked together to develop shared approaches and agendas in a more distributed, bottom-up way. In such a model, ACT would play the role of system administrator for the transformation network. ACT's first Chiefs of Transformation Conference in September 2006 and the creation of a transformation portal may be good examples of such an approach.

The NATO Response Force

If ACT was supposed to be the Alliance's transformation blacksmith, the NATO Response Force (NRF) was to become the anvil on which transformation would be forged. Although the NRF's operational strengths and weaknesses are addressed in another part of this report, its impact on Alliance transformation is also important to assess. Thus far the NRF's transformation scorecard has been mixed. The main mechanism for achieving transformation through the NRF is the force certification process. The military assets that nations have allocated to the NRF have to undergo a rigorous six month joint training period prior to being deployed or put on standby. At the

end of those six months, Supreme Headquarters Allied Powers Europe (SHAPE) certifies whether these units are combat ready. Certification requirements were to become more demanding with each cycle to ensure that transformation spreads throughout the Alliance.

There is little public information available about the current state of the NRF certification process. One can surmise, however, that the NRF's role as the Alliance's rapid deployment force is crowding out its role as an anvil for transformation. As upcoming NRF rotations remain short of critical capabilities, the current focus is, understandably, on filling those holes, rather than on creating new capabilities.³² To remedy some of these issues, ACT is currently developing "Evolutionary Capability Criteria" designed to create incremental qualitative improvements to the NRF and its Combined Joint Statement of Requirements.

Transformation "Doctrine"

If there is one area where the Alliance has made significant progress, it is in the conceptual thinking behind transformation. Building on work that had already been done in a number of pioneering member states (first and foremost, France, the United Kingdom, and the United States), NATO now has a hierarchy of conceptual documents that spell out the Alliance's ambitions for transformation and provide guidance for the whole process. This hierarchy starts with strategic guidance from NATO's political and military leadership, which is translated into a "capstone" document (CAFJO or "Concepts for Alliance Future Operations") that paves the way for the introduction of new concepts and capabilities. These documents also present a cogent summary of the Alliance's transformational ambition, identifying three transformational goals (joint deployment and sustainment, decision superiority, and coherent effects) broken down into five transformation objective areas (effective engagement and joint maneuver, enhanced CIMIC, information superiority and NATO network-enabled capabilities, expeditionary operations, and integrated logistics). This year ACT has also made great progress in translating these documents into more comprehensible and accessible language.³³

NATO planners are at or close to the cutting edge of Alliance thinking on transformation. What remains more questionable is the extent to which these conceptual innovations are trickling down to the national level. Differences between national concepts of operation today may well be larger than at any time in NATO's history.

³² "The danger is that the NRF's transformational aspirations and importance is neglected. Surprisingly, there is no plan – beyond the basic principles of rotation and escalating certification mentioned above – of how to ensure that the impact of transformation is maximized and in this context, the operational reality is not helping. The NRF is based on a spiral model of capabilities development. This means that new capabilities are included in the requirements and certifications process as they become available. Hence, the certification practice will not be able to generate guidance and drive the transformation process as only what is available will enter the process. Certification might end up following the development of new capabilities instead of leading it. If, then, operational necessities trump the overall transformational agenda, the low intensity missions the NRF has been engaged in are likely to limit the benefits of rotation and certification further, as these missions are not demanding enough to make the process work overall." Bastian Giegerich, "The NATO Response Force – A 2006 Deliverable?" *Sicherheit und Verteidigung*, November 15, 2005 (http://www2.dias-online.org/direktorien/sec_def/051115_33).

³³ NATO Allied Command Transformation, *Understanding NATO Military Transformation*, January 2006 (<http://www.act.nato.int/multimedia/facts/UNMT%20Booklet%20English%20Version.pdf>).

Defense Planning

Amidst the enormous operational pressures on the Alliance today, there is a danger that medium- to long-term defense planning will fall victim to shorter-term operational planning. With the exception of a handful of larger nations, most of NATO's 26 members are largely dependent on the NATO defense planning process (DPP) to define their own future capability requirements. In a period of deep uncertainty in the security environment and vertiginous changes in technology, the importance of this dependence cannot be overestimated. In the current system, many NATO nations (through the NAC) essentially entrust Alliance defense planners with the task of translating a shared political ambition level into concrete capability requirements. Yet many also continue to see this entire process as an impregnable "black box." In many ways, the current NATO process for deriving defense requirements continues to be more divorced from national defense planning processes than is either desirable or necessary. As long as the process is seen as one in which the nations receive capability requirements from on high rather than help to determine them, buy-in in NATO capitols will be limited.

There is no doubt that NATO has significantly improved its defense planning methodology in both the Defense Requirements Review and in the Long-Term Requirements Study. The method is firmly based on what has emerged as the current gold standard in defense and security planning: capabilities-based planning, in which capability requirements are derived from a diverse set of planning scenarios that reflect possible future security environments. The DPP – for all of its weaknesses – remains the Alliance's most sophisticated analytical method to develop and prioritize medium- to long-term defense requirements.

The main problem with the current NATO DPP, therefore, lies much less with the process itself than with the chasm between this process and member states. As long as there is even a perception, right or wrong, that the process is too opaque or remote to be trusted, national governments will not feel genuinely committed to the resulting capability requirements. NATO should, therefore, resist the perpetual temptation, particularly acute at summits, to short-circuit the normal process through ad-hoc initiatives such as the Defense Capabilities Initiative or the Prague Capability Commitment. Instead it should invest more resources in both the Defense Requirements Review and the Long-Term Requirements Study and ensure that national defense planners are fully engaged in and thus committed to NATO's defense planning process.

Network-Enabled Capabilities

Part of NATO's transformation effort revolves around the concept of NATO "networked-enabled capabilities" (NNEC) and the technological, doctrinal, and organizational changes made possible by the ongoing revolution in information technology. In the past several years, the Alliance has produced a number of important documents in this area. Twelve NATO Nations, supported by NC3A (NATO Consultation, Command & Control Agency), sponsored a *NNEC Feasibility Study*. Completed in July 2005, the study focused on architectural concepts, technologies, and standards, as well as timelines and key transition points for Networking and Information

Infrastructure (NII). The final report and recommendations were endorsed by the NATO C3 Board. In February 2006, ACT submitted a *NNEC Vision and Concept*³⁴ as a first installment of the *NNEC Strategic Framework*. The vision and concept will be followed by a roadmap, business case, architecture, and an initial detailed plan. In an interesting development, industry has taken the initiative to organize itself to provide expertise, services, and ideas to NATO through the Network Centric Operations Industry Consortium (NCOIC).³⁵

NNEC's main vision is to build a network that will transform the interaction between the various NATO elements from the current practice of de-conflicting stovepipes (national, service, military, etc.) to a coherent system that enables unity of effort. In sharp contrast to this vision, however, NATO's current ambition level for NEC is modest and incremental. Current efforts can probably best be described as evolutionary changes in the existing infrastructure rather than the radical ones desired by the network-centric warfare visionaries.

The real impact of NATO's groundlaying work in this area remains hard to assess. Has it led to more money being spent on C4ISR? Has it led to higher levels of interoperability across the bewildering array of systems across the Alliance and within countries? While new national network capabilities are being fielded in many countries, these activities are hardly the equivalent of the "dot-com bubble" in the private sector, which led to a global roll-out of new information technology systems that heralded radical new ways of doing business such as outsourcing, offshoring, supply chaining, and insourcing.³⁶ There are some early and tantalizing glimpses of similar revolutionary changes in the military world, such as the linking of SOF and shooters in the early stages of Operation Enduring Freedom or the various experiments with "reachback" capabilities, but the creativity and pace of activity in the military arena still lags far behind that of the business world.

Effects-Based Approaches to Operations

The concept of "Effects-Based Approaches to Operations" (EBAO) has encountered more resistance within NATO than the idea of network-enabled capabilities, even though the basic ideas behind effects-based approaches to planning, executing, and assessing operations are fairly straightforward and widely shared. These include the idea that military organizations should focus their planning, operations, and evaluation more on results or effects rather than on their own actions or inputs. This necessitates a much deeper understanding of the environment in which military operations take place, including its many non-military dimensions. It also implies that the military contribution has to be anchored in a broader "whole of government" approach – what NATO now calls "Comprehensive Planning and Action." Recent experiences in Iraq and Afghanistan

³⁴ North Atlantic Treaty Organization, *NATO Network-Enabled Capability (NNEC): Vision and Concept*, January 31, 2006 (www.act.nato.int/events/documents/06nnec3/visionconcept.pdf).

³⁵ Network Centric Operations Industry Consortium (<http://www.ncoic.org>).

³⁶ For a popular overview of the impact of network-centrism on the business world, see Thomas L. Friedman, *The World is Flat: A Brief History of the Twenty-first Century* (New York: Farrar, Straus and Giroux, 2005).

clearly illustrate the importance of these points, reiterating the historical truism that military victory does not equal strategic success.

There is also much to learn about how of governments approach security planning. As governments have exploded in size in the past century, national capabilities to deal with both internal and external security challenges have become increasingly stovepiped.³⁷ As NATO nations – both large and small – have become more active globally, they have all experienced difficulties getting their various ministries (Defense, Foreign Affairs, Development Aid) to act in a coordinated fashion. These difficulties are, not surprisingly, mirrored whenever international organizations (NATO, IMF, World Bank, ICRC) find themselves working alongside one another in a troubled country. At the Istanbul Summit in 2004, the NATO Council stated that “[T]oday’s complex strategic environment demands a broad approach to security, comprising political, economic and military elements. We are united in our commitment to such an approach.” Yet the Alliance has found itself hard-pressed to weave such an integrated approach into its planning efforts. A number of member countries are reluctant to endow the Alliance with the non-military competence that would be required for a genuine EBAO. NATO and its member states will have to find more creative ways to interact with various civil agencies and, crucially, with other international organizations.

Homeland Security – The Missing Piece of Transformation

Despite their emergence as central preoccupations of NATO member states, transnational terrorism and homeland defense remain strangely absent from the Alliance’s transformational agenda. At the national level, virtually every member state is rethinking the civil-military nexus in dealing with domestic security crises; most are moving toward greater use of unique military assets for homeland defense and security. In contrast to military planning, there is as yet little international interaction among the Alliance’s homeland security communities. As with “Comprehensive Planning and Action” discussed above, a number of member states feel uncomfortable about giving NATO too much say in these broader matters. Moreover, NATO allies continue to disagree about the relative weight that should be given to the military instrument in combating terrorism.

A recent paper published by the U.S. National Defense University clearly out the case for a bigger NATO role in defense of the transatlantic homeland from terrorism and other transnational threats, arguing that the overall goal of the Riga Summit “should be to point NATO in the direction of developing better capabilities for performing future homeland defense missions in concert with European countries and the EU.”³⁸ This recommendation deserves high priority at the summit, but care should be taken to ensure that homeland defense does not become another ad hoc summit initiative or a new stovepipe within the Alliance. Rather than launching a separate “homeland defense initiative,” NATO should make homeland defense issues and requirements organic to the NATO defense planning process.

³⁷ In the OECD, generally speaking, from about 10% of our GDP 100 years ago to between 40-50% today.

³⁸ Hans Binnendijk e.a., *Transatlantic Homeland Defense*, National Defense University, CTNSP/INSS Special Report, May 2006 (<http://www.ndu.edu/inss/press/CTNSP-INSS/spl-rpt.pdf>).

Serious about Change?

Transformation is as critical today as it was before Afghanistan and Iraq – if not more so. The Alliance needs robust capabilities for today's daunting challenges, but at the same time NATO has to keep its eyes firmly fixed on the future. If it fails to do so, NATO and its armed forces will find themselves unprepared for threats known and unanticipated. This requires an even further degree of transformation, which has to remain firmly anchored within the organization. There appears to be no natural constituency within defense establishments for this type of transformation, especially in an era where relentless operational tempos transfix all eyes on the present (arguably at the expense of the future). NATO was therefore right to create Allied Command Transformation as a powerful agent for change and also as a complement and counterweight to Allied Command Operations. ACT has built up an impressive list of achievements in a relatively short time. But the question remains how to keep ACT's eyes focused on the future and how to better anchor ACT and its transformational agenda within the entire NATO organization and – even more importantly – within the NATO nations themselves.

NATO member states need not fear defense transformation. It will yield new capabilities, and few nations in this world are better positioned to capitalize on these sources than NATO allies. In order to do so, however, the Alliance must find new ways to empower NATO's real edge: its 26 member nations and their respective armed forces.

The NATO-Russia Relationship

Russia was not invited to Riga, and as a result, the NATO-Russia relationship will not feature prominently on the summit agenda. Russia will, however, be a factor in many of the questions and deliberations at the summit. Although few would call Russia a 21st century superpower, it still possesses a large nuclear arsenal and has great influence in world politics on multiple fronts. Cooperation with Russia should therefore be of great importance to NATO.

Russia's relationship with NATO and the West has undergone several major changes since the end of the Cold War. After years of incremental and positive change, relations seemed to peak during the first few years following the September 11 attacks. Almost immediately, Russia decided to open its airspace for the international coalition's campaign in Afghanistan and to share intelligence to support the fight against terrorism – two moves the West applauded. More recently, however, deep disagreements over a wide range of policy issues, including NATO enlargement and Russia's stalling democratic process, have resulted in a more contentious relationship with the Alliance. NATO-Russia relations on smaller, pragmatic issues such as counter-terrorism should remain strong, but it appears that political goals are drifting farther apart.

Domestic developments in Russia have certainly contributed to the considerable number of difficulties the Russia-NATO relationship is currently facing. Under Vladimir Putin's widely popular, but ever more authoritarian, leadership, the Kremlin has rolled back political pluralism, stifled political opposition, made it difficult for NGOs to operate, and

become more arbitrary in the exercise of state power. Russia has become both a more centralized and a more corporate state, led by a Kremlin staking claims on some of the country's most lucrative enterprises.

At the same time, Russian foreign policy has evolved in a more assertive direction, due in part to high world prices for oil and other export commodities, which have contributed strongly to Russia's impressive 6 percent annual economic growth rate. Gazprom is the cornerstone of Putin's grand plan to resurrect Russia as a so-called energy superpower. Russia has sought to regain economic and political influence across its entire periphery and has attempted to curtail U.S. and NATO access to those regions. The Shanghai Cooperation Organization, with Russia as a prominent member, has urged the United States to withdraw from Central Asian air bases and Western forces to leave Afghanistan. Russia has also used its energy resources for political blackmail, most recently in Ukraine.

Russia has also demonstrated a keen interest in preventing Ukraine and Georgia from developing close cooperation with NATO. Russian Defense Minister Sergei Ivanov has warned that close cooperation between these two countries and NATO would prompt Russia to rethink its national security strategy. Ironically, Russia still has not fulfilled its remaining Istanbul commitments relating to withdrawal of its military forces from Georgia and Moldova within the framework of the CFE Treaty. NATO countries have made it clear that fulfilment of these commitments is a prerequisite for movement toward ratification of the Adapted CFE Treaty.

The History of NATO-Russia Relations

The formal basis for NATO-Russian relations is the NATO-Russian Founding Act on Mutual Relations, Cooperation and Security, signed in May 1997. This agreement established the Permanent Joint Council (PJC) as a forum for regular consultation on security issues. In 2002, the PJC was replaced by the NATO-Russian Council (NRC). While the former forum was in the so-called "NATO + 1" format, Russia and NATO member states in the NRC meet as equals – a significant change that allows Russia to sit at the table as one of 27 partners. As a result, NATO members rarely coordinate their positions before meeting Russia in the NRC, which has moved NATO-Russian interactions from an exchange of information to partial coordination of policy issues.

The decision to establish the NRC was taken in the wake of 9/11 with two purposes in mind: first, to ease Russian concerns over the pending round of NATO enlargement, and second, to engage Russia more in the fight against international terrorism. The NRC's agenda is quite ambitious, although its concrete achievements have been modest.

Cold War perceptions as well as conflicting interests and expectations explain some of the problems facing the NATO-Russian relationship today. Large segments of the Russian population still regard NATO as an aggressive military bloc in the hands of the United States, making it hard for Russian political elites to justify Russia's expanding relationship with the Alliance. In some NATO countries, a thinly veiled Russophobia is surfacing, causing Russia to be blamed for almost anything. To be sure, Russia should be

criticised for reversing democratic rights, but recent Western efforts to reach out to even more undemocratic neighbours, such as oil-rich Kazakhstan and Azerbaijan, support Russian accusations of double standards and undermine the West's credibility. While Russia has made strong efforts to maintain and regain influence along its borders, the United States in particular has supported regime changes and geopolitical reorientation in Russia's borderlands. This rivalry, particularly in Central Asia, is seen by both sides in zero-sum terms.

There is rising concern in some European countries that Europe could find itself at the mercy of an increasingly authoritarian Russia, a country that has already shown its willingness to use its energy resources for political blackmail. Russian political elites harbor similar concerns about the West. Russia perceives itself to be highly vulnerable to both economic and political blackmail, especially since it has few serious natural gas market options beyond Europe.

The Way Ahead

Despite the difficulties, NATO should continue its efforts to strengthen its relationship with Russia. It is critical to keep the channels of cooperation open to reduce misunderstanding and identify areas of common interest, which helps to chip away at some of the conspiracy theories that postulate a NATO interest in surrounding or weakening Russia. In some fields, such as energy, dialogue with Russia is of utmost importance. Europe shares a stake in Russia's energy exports, and if Russia modernized its energy sector and opened its markets, this interdependent relationship could be significantly deepened.

Russia also has an important role to play in nonproliferation, particularly in programs such as the G-8's "Global Partnership against the Spread of Weapons and Materials of Mass Destruction," which aims to secure WMD and related materials in the former Soviet Union and beyond. Should NATO decide to expand its non-proliferation role, a continuing dialogue with Russia will be critical.

Furthermore, Russia is an important contributor in fighting terrorism. A number of innovative collaborative programs have been proposed, although not all of them have been implemented. The 2004 NATO-Russia "Action Plan on Terrorism," for example, from 2004, calls for Russian participation in Operation Active Endeavour, NATO's counterterrorist maritime surveillance and escort operation in the Mediterranean. To date, Russia has taken part in the operation on an ad hoc basis. A more permanent presence in that operation will come once the Duma ratifies a Status of Forces Agreement (SOFA), which provides the legal framework for the Russian contribution.

NATO and Russia have also made some progress on Theatre Missile Defense in recent years. This once highly sensitive issue has become an integral part of NATO-Russia cooperation and dialogue, although the two sides have a long way to go before they produce concrete results. To date, cooperation has focused primarily on developing common concept for coordinating Russian and NATO systems. As an important part of this process, NATO and Russian representatives have taken part in each other's tests.

This will be taken a step further in 2007 with the first NATO-Russian test of missile defence systems.

The NATO-Russia relationship will remain challenging in the years to come, making a major revitalization of that relationship unlikely at least in the short term. For now, the Alliance should focus on preventing relations with Russia from worsening by identifying pragmatic and small-scale forms of cooperation. A well-balanced and patient approach will be needed on both sides along with a shared goal of moving towards greater improvements in the relationship in the future.

Recommendations

- *The strategic dialogue between NATO and the EU should be expanded and deepened.*

Despite broad recognition that NATO and the EU are facing a growing list of common and complex security challenges, NATO-EU exchanges remain focused on two core issues: crisis management in the Balkans and efforts to strengthen European military capabilities. While both topics warrant continued cooperation, NATO and the EU are facing increasing demands for deployments and joint policies, which means the strategic dialogue between the two organizations must be expanded.

Ideally, NATO and the EU should reinvigorate their traditionally stale dialogue between the North Atlantic Council and the EU's Political and Security Committee. Assuming that proves to be too ambitious, given the current political environment, the NATO Secretary General and his EU counterpart, Javier Solana, should hold monthly meetings to coordinate policies on pressing issues such as counterterrorism and reconstruction operations. The transatlantic lunches or dinners that are held on an ad hoc basis, such as the one that Secretary Rice held in September in New York as NATO and EU foreign ministers were meeting at the UN, should become a regular feature of NATO-EU relationship. Terrorism, proliferation concerns, and the question of greater Western cooperation with former Soviet states represent only a handful of possible topics that could be utilized to instigate critical NATO-EU dialogue within the framework of the changing international security theater.

- *The EU and NATO should identify small-scale and pragmatic ways to enhance their relationship.*

Because major initiatives aimed at strengthening the EU-NATO relationship might be challenging in the short term and because the last thing the EU-NATO relationship needs is another declaration, the two organizations should focus on pragmatic initiatives that could be launched in the next year. Such initiatives could include including enhanced cooperation between NATO and the European Defense Agency; and a joint working group to examine the consequences and benefits of defense integration (i.e., pooling, specialization, or multinational procurement). Such small-scale initiatives could serve as

building blocks for more ambitious, long-term proposals such as EU-NATO Crisis Action Teams and joint contingency planning.

- *NATO and the EU should strengthen the relationship between the NRF and the EU Battle Groups.*

There are several areas of commonality between the NRF and the EU Battlegroups. Both aim to improve members' ability to rapidly deploy and sustain forces in a wide range of missions. Both face several challenges as well, ranging from decreases in defense resources to difficulties in funding operations to strategic debates over how and when to use such forces. While there are also a number of notable differences between the two sets of forces, both NATO and the EU would benefit by enhancing the relationship between the NRF and the EU Battle Groups. Efforts to do so could begin with joint training and an agreed set of standards by which every member could measure and report their current capabilities. Bolder initiatives, such as a shared force-planning concept, could follow.³⁹

- *NATO and the EU should enhance their civilian-military cooperation.*

As NATO and the EU undertake a growing list of both military and civilian operations outside the Euro-Atlantic area, it is imperative that the two organizations coordinate with each other before crises arise. As the organizations have already witnessed, a failure to coordinate in advance squanders precious time, confuses local actors, create problems for commanders on the ground, and often leads to heated debates about roles and missions.

- *NATO should develop, maintain, and regularly publish a detailed transformation scorecard to track nations' progress toward various transformation objectives.*

If NATO wants to demonstrate its seriousness with regard to transformation, it should track both the Alliance's and nations' progress towards various transformation goals in a much more systematic way than is now being done. An outside review team should conduct assessments of progress on transformation, and the results should be released publicly and regularly.

- *NATO should explore alternative models for stimulating transformation within the Alliance that are more nation-centric than ACT-centric. ACT itself should put more emphasis on supporting member states in developing their own operational concepts and tracking changes in them.*

Top-down Alliance defense planning may have been necessary and sufficient during the Cold War. Today, it is neither. NATO should create a system in which the main impulses would come from a network of national defense planners who would develop and push transformation in a bottom-up, distributed way. ACT should see its main role

³⁹ Similar ideas are mentioned in a summary of proceedings from a March 2006 workshop entitled, "NATO and the European Union: Improving Practical Cooperation," hosted by the National Defense University's Institute for National Strategic Studies.

as stimulating, supporting, tracking, and enabling cross-fertilization between national concept development efforts.

- *NATO should safeguard the NRF's transformational role even as it seeks to maintain its operational role.*

Given the critical role NRF certification plays in ACT's transformation agenda, more attention (including public attention) should be paid to this process. NATO should also explore the possibility of vesting an independent third party with responsibility for certification of the NRF and using rigorous qualitative benchmarks to assess readiness. Current operational and political demands should not be allowed to undermine the NRF's critical role in the Alliance's transformation process.

- *NATO's Defense Planning Process should return to center stage, be further refined, and find ways to involve national defense planners more intensively in the process.*

NATO should resist pre-summit temptations to short-circuit the normal defense planning process with ad-hoc initiatives. Instead, the Alliance should invest more resources in refining its approach to capabilities-based planning, strengthening both the Defense Requirements Review and the Long Term Requirements Study, and ensuring that national defense planners are fully engaged in and thus committed to NATO's defense planning process.

- *NATO should seek to help its member states develop better capabilities for performing homeland defense missions. NATO should introduce homeland security as the fourth pillar of defense planning and integrate requirements for homeland defense within its defense planning process.*

By integrating homeland defense into the defense planning process, NATO can help its member states define the military requirements associated with protecting their territories against terrorist attacks or other threats. In addition, ACT should be tasked with assisting member states in identifying best practices and developing new concepts for using the military in support of homeland defense. NATO should also use this new focus to encourage and assist efforts to develop "whole of government" approaches that integrate military and non-military, internal and external dimensions of planning and operations.

- *NATO should pursue selective cooperation with Russia.*

Mutual suspicions should not overshadow the many common interests that exist among NATO nations and Russia in coping with challenges such as terrorism, WMD proliferation, unstable and failed states, and energy security. Developing a broad and deep strategic partnership with Russia does not seem possible for the foreseeable future, but there is every reason for NATO and Western countries to pursue selective cooperation with the Russians in areas of economic and strategic convergence. The

NATO-Russia Council is one important venue for this relationship and should be developed to the greatest extent possible.

- *NATO should make 2007 a special “Russia year.”*

To underline the importance of cooperation, the Alliance should make 2007 a special “Russia year” by celebrating the fifth anniversary of the NATO-Russia Council and the tenth anniversary of the Founding Act. This would reaffirm the values that the two partners share and give the relationship a much-needed public relations boost at a time of substantial strain.

- *NATO should encourage Russia to join Operation Active Endeavour.*

From both a political and military viewpoint, cooperation between NATO and Russia will benefit tremendously if Russia ratifies the SOFA and joins the Alliance in Operation Active Endeavour on a more permanent basis. This would be the first opportunity to cooperate in actual operations, as opposed to conducting joint exercises. The military training and exercise program should also be further developed as a means to facilitate further NATO-Russia operational cooperation.



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