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NATO's Warsaw Summit: In Brief

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Overview

The North Atlantic Treaty Organization's (NATO's) 2016 summit was held in Warsaw, Poland, on July 8-9, 2016. The summit was the second meeting of the alliance's 28 heads of state and government since 2014, when Russia annexed Crimea and began providing large-scale military support to separatist forces fighting in Ukraine. Russia's actions in Ukraine and Eastern Europe more broadly have upended NATO's post-Cold War transformation from a military alliance focused solely on deterring Russia to a globally oriented security organization. Over the last two years, NATO has taken major steps to strengthen once again its territorial defense capabilities and to deter Russia.

NATO's renewed focus on collective defense and deterrence has created some tensions within the alliance, particularly between those member states more sensitive to the Russian threat—especially in Eastern Europe—and those, such as Germany, with a long history of close ties to Russia. In addition, heightened fears about instability in the Middle East and North Africa have caused strain between those allies more concerned about security threats from NATO's south and those that continue to prioritize deterring and managing Russia.

At the Warsaw summit, NATO leaders sought to balance these concerns by addressing both the threat to NATO's east and the threat to its south. As such, the summit focused primarily on two broad themes:

- **Enhancing deterrence**, primarily through forward deployment to Eastern Europe, and
- **Projecting stability beyond NATO**, in particular to the Middle East and North Africa (MENA).

Among other things, NATO leaders announced the rotational deployment of up to 4,000 troops to Poland and the three Baltic states, an expanded training mission for Iraqi soldiers, and additional NATO support for Afghanistan and Ukraine. NATO leaders also assessed member state progress in implementing defense spending and capabilities development commitments, a key U.S. priority. Finally, NATO formally invited Montenegro to become the 29th member of the alliance.

Summit deliberations were marked by divergent views over the threat posed by Russia and by debate over the appropriate role for NATO in addressing the wide-ranging security challenges emanating from the MENA region. On Russia, some allies, mostly in Western Europe, continue to resist calls from allies such as Poland and the Baltic states for a more robust NATO military presence in the eastern part of the alliance. On threats from the MENA region, several allies are reluctant to endorse a bigger role for NATO in issues—such as terrorism and migration—on which the European Union (EU) has traditionally taken the lead. Furthermore, many analysts contend that significant budgetary and political constraints facing many allied governments could limit NATO's capacity to deter Russia while addressing security threats to NATO's south.

The Warsaw summit took place just two weeks after the United Kingdom (UK) voted to leave the EU. Prior to the referendum, many allied leaders echoed the sentiments of NATO Secretary-General Jens Stoltenberg that a British exit from the EU, referred to as Brexit, would have negative repercussions for regional security. Since the referendum, these leaders have stressed the importance of using NATO as a platform for both transatlantic and European defense cooperation. UK officials have emphasized that the country's commitment to NATO remains steadfast. Along with France, the UK is widely acknowledged to be the most militarily capable European ally.

The key U.S. Administration priority for the summit was to sustain and enhance NATO collective defense and deterrence initiatives, with an emphasis on securing commitments from a broad

group of allies. The United States also has called on its NATO allies to play a greater role in addressing security threats emanating from MENA, including by contributing more to the fight against the Islamic State (IS) terrorist organization. These calls have taken on increased importance in light of terrorist attacks in NATO member states Belgium, France, and Turkey over the past year. In addition, President Obama stressed the importance of European allies taking on a greater share of the defense burden in the alliance by meeting defense spending and capabilities development commitments made in Wales in 2014.

Reassurance Measures Taken Prior to the Warsaw Summit

In September 2014 in Wales, NATO heads of state and government announced a slate of ambitious measures to enhance allied readiness and collective defense in response to Russian aggression. Since then, NATO has moved to implement what NATO Secretary-General Stoltenberg characterizes as the biggest reinforcement of NATO's collective defense since the end of the Cold War.

At the Wales summit, the allies agreed to a Readiness Action Plan (RAP) intended to reassure allies in the eastern part of the alliance and improve NATO's ability to adapt to new security threats in the region.[1] Under the RAP, the allies have bolstered existing reassurance measures by, for example, adding aircraft to NATO's Baltic Air Policing mission and significantly increasing the number of military training exercises in Eastern Europe. NATO also has created new capacities to respond to a potential attack on an ally. These new capacities include a major expansion of the NATO Response Force (NRF), creation of a new Very High Readiness Joint Task Force (VJTF), and establishment of new command-and-control capacity to enable rapid military reinforcement in the eastern part of the alliance.

NATO's new VJTF, or "Spearhead Force," is a multinational brigade of approximately 5,000 ground forces, supported by the appropriate air, maritime, and special operations components (the total force could reach up to 20,000 troops with these support elements), which is capable of deploying within "a few days."[2] The VJTF is a smaller, more specialized arm of the NATO Response Force (NRF), a multinational rapid-reaction force of land, air, maritime, and special operations components in operation since 2003. In 2015, the allies tripled the size of the NRF, bringing it from about 13,000 troops to 40,000 troops. NRF and Spearhead forces are based in their home countries but are available to deploy whenever they are needed for exercises or crisis response.[3]

To facilitate the possible rapid deployment of allied forces to NATO member states in Eastern Europe, NATO has established new command-and-control capacities in the region. These capacities include the creation of so-called NATO Force Integration Units (NFIUs) in Estonia, Latvia, Lithuania, Poland, Romania, and Bulgaria. The NFIUs are to be staffed by 40 NATO and host-nation personnel prepared to facilitate troop deployment and assist host governments with defense planning and multinational training and exercises.[4] NATO also has established two senior general officer-led headquarters, one in Poland and one in Romania, to command and control potential NATO operations in the region.

Key Summit Outcomes

As noted above, the formal agenda for the Warsaw summit focused on two main issues: (1) enhancing deterrence, primarily through forward deployment along NATO's eastern flank,

[1] For more on the outcome of the Wales summit, see CRS Report R43698, *NATO's Wales Summit: Outcomes and Key Challenges*, by Paul Belkin.

[2] NATO operated the Spearhead Force in an "interim" capacity in 2015 and hopes the force will be fully operational by the end of 2016. Leadership of and troop contributions to the force will rotate on an annual basis. Spain is leading the force in 2016.

[3] For more on the Very High Readiness Joint Task Force (VJTF) and NATO Response Force (NRF), see NATO Supreme Headquarters Allied Powers Europe, "Fact Sheet: NATO Response Force/VJTF," January 2016; and NATO Fact Sheet, "NATO's Readiness Action Plan," February 2016.

[4] For more on the NATO Force Integration Units (NFIUs), see NATO Fact Sheet, "NATO Force Integration Units," September 2015.

and (2) projecting stability beyond NATO, including to the MENA region, Afghanistan, and non-NATO member states in Europe such as Ukraine, Georgia, and Moldova. Allied leaders also sought to expand cooperation with the EU, formally invited Montenegro to join the alliance, and reaffirmed NATO's "open door" policy on membership.

Enhanced Deterrence

The main outcome of the Warsaw summit was an enhanced NATO forward presence in Eastern Europe. Despite the measures implemented since Wales, many analysts, including the authors of a February 2016 report by the Rand Corporation, contend that "as presently postured, NATO cannot successfully defend the territory of its most exposed members."[5] NATO member states in the region have echoed these concerns. In response, NATO leaders have called for a more robust multinational forward presence to "make it plain that crossing NATO's borders is not an option."[6]

In Warsaw, the allies announced new rotational deployments of four combat battalions of about 800-1,200 troops each to Poland and the Baltic States. The multinational battalions are expected to be in place by early 2017. Each battalion will be led by a framework nation with contributions from several other allies. The lead and contributing nations are as follows:

- In Estonia, the UK will lead a battalion with additional contributions from Denmark and France.
- In Latvia, Canada will lead a battalion with additional contributions from Albania, Italy, Poland, and Slovenia.
- In Lithuania, Germany will lead a battalion with additional contributions from Belgium, Croatia, France, Luxembourg, the Netherlands, and Norway.
- In Poland, the United States will lead a battalion with additional contributions from Romania and the UK. U.S. officials say the U.S. contribution will be about 900 soldiers on rotation from Germany.[7]

In Warsaw, the allies also agreed to bolster land, air, and sea forces in the Black Sea region. Romania has agreed to host a multinational land brigade with a significant contribution from neighboring Bulgaria. Canada, Germany, the Netherlands, Turkey, and the United States have said they would deploy land, air, or naval vessels to the region.[8]

Advocates of a bolstered NATO military presence in Eastern Europe—including the three Baltic states, Poland, and Romania—have welcomed the decision to rotate additional forces in the region. However, the new deployment falls short of the permanent stationing of forces for which they and others have called. As one analyst puts it, the rotating forces "are a positive development, but the expectation that a small forward rotational multinational presence ... will be

[5] David A. Shlapak and Michael Johnson, *Reinforcing Deterrence on NATO's Eastern Flank*, Rand Corporation, February 2016.

[6] NATO Deputy Secretary-General Alexander Vershbow, "A Strong NATO for a New Strategic Reality," Keynote address at the Foundation Institute for Strategic Studies, Poland, March 4, 2015.

[7] U.S. Mission to NATO, *October 26, 2016:* "Secretary Carter's Defense Ministerial Press Availability," October 26, 2016, at https://nato.usmission.gov/october-2016-secretary-carter-defense-ministerial-press/; NATO, "Press Conference by NATO Secretary General Jens Stoltenberg," October 26, 2016, at http://www.nato.int/cps/en/natohq/opinions_136581.htm.

[8] NATO, "Press Conference by NATO Secretary General Jens Stoltenberg," October 26, 2016, at http://www.nato.int/cps/en/natohq/opinions_136581.htm.

enough to establish credible deterrence is a stretch."[9] Others of this view have argued that for NATO's deterrence initiatives to be effective, the alliance must regularly deploy and exercise an array of capabilities to the region, including those to counter Russia's growing anti-access and area-denial capabilities (A2/AD).

Other NATO member states—chiefly the United States and Western European countries—have resisted calls to permanently deploy troops in countries that joined after the collapse of the Soviet Union due to concerns that doing so would violate the terms of the 1997 NATO-Russia Founding Act.[10] Accordingly, the enhanced NATO presence has been referred to as "continuous" but rotational. Leaders in Germany, Italy, and France, among others, have stressed the importance of a dual-track approach to Russia that complements deterrence with dialogue. For these allies, efforts to rebuild cooperative relations with Moscow should be given as much attention as efforts to deter Russia. German Foreign Minister Frank-Walter Steinmeier, a strong proponent of this view, has at times criticized NATO's focus on deterrence. In widely reported comments made in June 2016, Steinmeier likened a military exercise of NATO member states and partner countries taking place in Poland to "saber-rattling and war cries."[11] He added, "whoever believes that a symbolic tank parade on the alliance's eastern border will bring security, is mistaken."[12] NATO and U.S. officials subsequently rebutted Steinmeier's comments.

Responding to Threats from the Middle East and North Africa

Instability on NATO's southern flank, including the ongoing conflicts in Syria, Iraq, and Libya, was another key area of discussion at the Warsaw summit. A number of major terrorist attacks in Europe over the past two years and an unprecedented influx of refugees and migrants, primarily from the Middle East and Africa, have heightened calls for more robust NATO and EU engagement to address the crises in the region. Many NATO members are contributing in some way to the international coalition fighting the Islamic State, most by providing financial support and/or weapons; however, NATO's military response to these crises has been limited.[13] The alliance is training some Iraqi security forces, has taken some measures to bolster Turkey's security, and launched a small naval mission in the Aegean in February 2016 to help combat migrant smuggling (see text box below).

At the Warsaw summit, NATO announced an expansion of its small training mission for Iraqi security personnel. Currently, allied military advisers are training Iraqis in Jordan. The expanded mission would also include training activities in Iraq. In addition, NATO member states agreed to deploy NATO aerial surveillance aircraft (Airborne Early Warning and Control Systems, or AWACS) to assist the counter-Islamic State coalition. NATO also agreed to launch a new naval mission in the Central Mediterranean focused on counterterrorism and enhancing situational awareness (see text box below).

[9] Andrew Michta, "All Not Quiet on NATO's Eastern Front," Carnegie Europe, June 28, 2016.

[10] In the NATO-Russia Founding Act, the allies agreed not to permanently station "substantial combat forces" in countries that joined NATO after the collapse of the Soviet Union.

[11] The exercise, Anakonda, simulated a Russian attack on Poland. For more information, see http://www.eur.army.mil/anakonda/.

[12] German Foreign Minister Frank-Walter Steinmeier, as quoted in "Steinmeier Criticizes NATO's 'Saber-Rattling,'" *DeutscheWelle*, June 18, 2016.

[13] For information on allied contributions to the anti-Islamic State coalition, see CRS Report R44135, *Coalition Contributions to Countering the Islamic State*, by Kathleen J. McInnis.

NATO Naval Missions in the Aegean and Central Mediterranean

In February 2016, NATO member states agreed to deploy one of the alliance's two Standing Maritime Groups to the Aegean Sea to "provide support to assist with the refugee and migrant crisis ... [by participating] in the international efforts to stem illegal trafficking and illegal migration in the Aegean."[14] A NATO Maritime Group of five vessels is tasked with conducting reconnaissance, monitoring, and surveillance of illegal crossings in the Aegean. NATO vessels are not stopping or pushing back refugee boats but are conveying information and surveillance to national coast guards and to the EU and its border agency, Frontex.

In Warsaw, NATO agreed to expand its role in the Mediterranean Sea by launching a new naval mission in the Central Mediterranean, Operation Sea Guardian. Three NATO ships and two submarines will be tasked with providing situational awareness and logistical support to an existing EU naval operation, Operation Sophia. Among other things, the EU's Operation Sophia is charged with identifying, capturing, and disposing of vessels used by migrant smugglers or traffickers.[15]

NATO had previously refrained from engaging directly in the migration crisis, largely due to a widespread view that the EU is the appropriate institution to lead the response. Indeed, some humanitarian organizations have criticized the mission, arguing, among other things, that members of the international community should "focus their energy on providing humanitarian solutions rather than deterrence measures."[16] Other observers have questioned the value of a naval deployment limited solely to surveillance.

Several factors have limited NATO's engagement on security challenges emanating from the MENA region. These factors include a belief among some allies that the EU is the appropriate institution to lead Europe's response to terrorism and migration issues and a related reluctance to cede leadership on these issues to NATO. France, for example, has advocated strong European responses to terrorism and conflict in the Middle East but has generally opposed a larger role for NATO. Some allies also disagree on what the appropriate response should be to some of the security challenges in the MENA region, with some more willing than others to endorse military action. Although a few European allies—chiefly France and the UK—have been conducting air strikes against the Islamic State in Syria and Iraq, others, including Germany, are weary of such direct military engagement in the region.[17]

Nevertheless, many allies believe the security challenges from the MENA region currently pose the biggest threat to European security. Some analysts have voiced concerns that these allies may prioritize the MENA region over the perceived threat from Russia. They maintain that NATO's two top priorities—addressing threats to the east and the south—could at times serve at cross purposes, noting that some allies may advocate a more conciliatory approach to countering Russian aggression in Ukraine in the hopes that doing so could spur greater cooperation with Russia in Syria and the broader Middle East. Some allies in Eastern Europe have echoed these concerns. NATO and allied officials deny such suggestions and underscore their firm commitment to countering Russian aggression in Ukraine and elsewhere.

[14] NATO, Press Conference by NATO Secretary-General Jens Stoltenberg following the meeting of the North Atlantic Council at the Level of Defence Ministers, February 11, 2016.

[15] NATO, "NATO Operation Sea Guardian Kicks off in the Mediterranean," November 11, 2016; NATO, "NATO Secretary General Press Conference," October 27, 2016, at http://www.nato.int/cps/en/natohq/opinions_136837.htm?selectedLocale=en; European Union External Action Service, EUNAVFOR MED Operation Sophia, at http://eeas.europa.eu/csdp/missions-and-operations/eunavfor-med/.

[16] Doctors Without Borders, as quoted in Michael Schmidt and Sewell Chan, "NATO Will send Ships to Aegean Sea to Deter Human Trafficking," *New York Times*, February 11, 2016.

[17] See Steven Erlanger, "Shifting Attention to Mediterranean, NATO Fights Internal Dissent," *New York Times*, June 16, 2016; and Jeff Lightfoot, *NATO Summit Special Series: France*, The Atlantic Council, June 24, 2016.

Maintaining a Commitment to Afghanistan

In January 2015, NATO launched a new mission in Afghanistan, Operation Resolute Support, to advise and assist Afghan security forces. Resolute Support is the follow-on mission to NATO's International Security Assistance Force (ISAF), the 11-year combat mission that ended in 2014. In Warsaw, the allies announced new pledges to support this mission and to provide additional financial support for Afghan security forces.

As of July 2016, about 13,000 allied personnel were contributing to the Resolute Support mission, 6,800 of whom were from the United States. The next-largest contributors were Germany (980), Italy (945), and non-NATO member Georgia (870). NATO's ISAF mission faced relatively consistent public opposition in many European NATO member states. Along with the decidedly mixed perceptions about the mission's success, this opposition has made it difficult to secure additional European commitments to NATO's follow-on mission.

Increasing Support for Ukraine

In Warsaw, the allies convened a meeting of the NATO-Ukraine Commission in an effort to boost NATO support for Ukraine. The bulk of NATO member state assistance to Ukraine is provided bilaterally or through the EU. However, NATO itself has launched several programs to support Ukrainian defense structures. These programs include trust funds focused on improving command and control, strengthening cyberdefense, and rehabilitating wounded soldiers. NATO also has sent military advisers to Kiev. In Warsaw, the allies sought to build on existing NATO programs in an effort to "help Ukraine establish more effective and efficient defense and security structures, and to strengthen civilian control over them."[18] NATO support to Ukraine continues to fall short of the level of assistance for which many advocates call, however. Among other things, NATO remains limited by differences among allies on whether to provide more substantive military support, such as intelligence capabilities or weapons systems.

Addressing "Brexit" and Expanding NATO-EU Ties

As noted above, the Warsaw summit took place just two weeks after UK voters decided to leave the EU (by a narrow margin of 52% to 48%).[19] Although UK leaders have been vocal in affirming their continued commitment to NATO, uncertainty regarding the UK's relationship with the EU raises questions about the future of British and broader European defense policy. While some analysts speculate that economic pressures resulting from leaving the EU could lead to a decline in UK defense spending and capabilities, others have argued that leaving the EU could compel the UK to be a more active member of the alliance.[20] In any case, leaders at the Warsaw summit emphasized the importance and stabilizing effect of the UK as a strong member of NATO and of NATO as a platform for European defense cooperation. In 2015, UK defense spending made up a quarter of total defense spending by European NATO member states.

Even before the Brexit vote, NATO had planned to use the summit to seek to expand NATO-EU relations in several areas, including in initiatives on hybrid threats, cyberdefense, and maritime security. Analysts have long asserted that the two organizations could work in a more

[18] NATO, *NATO Steps up Support for Ukraine with Comprehensive Package of Assistance*, June 15, 2016.

[19] For more on the UK referendum, see CRS Insight IN10513, *United Kingdom Votes to Leave the European Union*, by Derek E. Mix.

[20] See, for example, David Sanger, "With 'Brexit,' Washington's Direct Line to the Continent Suddenly Frays," *New York Times*, June 26, 2016, and Geoff Dyer, David J. Lynch, and Demetri Sevastopulo, "U.S. Seeks Role of Mediator in EU's Political Crisis," *Financial Times*, June 27, 2016.

complementary fashion to permit a more efficient and effective overall use of Euro-Atlantic civil and military resources. These calls have grown as the EU has come to face greater threats related to terrorism and the refugee and migration crisis. As noted above, NATO and the EU have expanded maritime cooperation in the Mediterranean Sea to counter human trafficking. As for initiatives on cyberdefense and hybrid threats, analysts caution that although both organizations are developing policies and capabilities in these areas, many member states remain reluctant to cede control to NATO and the EU, particularly in sensitive areas such as cyber policy.

Despite the fact that they have 22 members in common, NATO and the EU have historically struggled to establish a cooperative and coordinated working relationship. Disagreements between Turkey (a member of NATO but not the EU) and Cyprus (a member of the EU but not NATO) are often cited as the primary obstacle to deeper cooperation and information sharing. Some observers also point to bureaucratic rivalry and competition between the two institutions, as well as conflicting views regarding their roles. These barriers have been known for some time, although solutions at the political level remain elusive. Some observers have suggested establishing a division of labor between the "hard" military tasks that lie at the core of NATO and the "soft" peacekeeping and civilian-oriented missions that play to the strengths of the EU; others decisively reject the idea of such rigid mandates.

Bringing in Montenegro and Reaffirming NATO's "Open Door" Enlargement Policy

In Warsaw, the allies formally invited Montenegro to become the 29th member of NATO, which would be the first enlargement of the alliance since Albania and Croatia joined in 2009. Since 2009, Montenegro has worked with NATO to implement a range of political and military reforms under the terms of a membership action plan granted that year. On May 19, 2016, NATO foreign ministers took the final step toward inviting Montenegro to join the alliance by signing NATO's formal accession protocol. As stated by NATO, "Montenegro will [now] participate in all NATO meetings as an observer. Once all allies have ratified the Protocol, Montenegro will be invited to accede to the Washington Treaty and become the 29th member of the alliance."[21] All 28 member states now must ratify the protocol according to their own procedures (some require parliamentary approval; others do not). In the past, this process has taken up to a year. In the United States, the Senate must ratify the protocol.

The Obama Administration has said it supports Montenegrin accession, arguing, among other things, that further enlargement in the Balkans will promote stability in the region. Some critics maintain that the Montenegrin government has yet to adequately address long-standing concerns about the judiciary and corruption. They also note that a majority of Montenegrins appear to oppose NATO accession (polls indicate about 40% in favor).[22]

Advocates of NATO enlargement, including some Members of Congress, have welcomed the pending accession of Montenegro as an important signal to aspiring members that NATO's "open door" policy will not be scaled back in the face of Russian opposition. They have also called on NATO to advance the membership prospects of aspiring NATO members Georgia, Macedonia, and Bosnia-Herzogovina and to continue to enhance ties with Ukraine.[23] Among other things,

[21] NATO, "NATO Foreign Ministers Sign Accession Protocol with Montenegro," May 19, 2016.

[22] "NATO Chief Urges Montenegro to Tackle Corruption," *Balkan Insight*, February 9, 2016.

[23] NATO agreed that Macedonia met the qualifications for membership in 2008, but Macedonia's candidacy has been stalled due to a protracted dispute with NATO ally Greece over the country's official name. The two sides have been

enlargement advocates argue that Russia would be less willing and less able to take the aggressive actions it has in Ukraine, Georgia, and elsewhere in its near-abroad if these countries were members of the alliance.

Despite these calls, most analysts consider NATO unlikely to expand over the next several years. They point to a perception in some Western European countries that NATO has enlarged too quickly and that the alliance should agree on how to resolve a complex range of issues, including managing relations with Russia, before taking in new members. For some allied governments, ongoing territorial disputes with Russia in countries such as Georgia and Ukraine could be a strong deterrent to extending membership invitations to these countries. For their part, NATO officials emphasize that the allies have reaffirmed their commitment to NATO's "open door" enlargement policy.

Trends in Allied Defense Spending and Investment

Analysts have long maintained that NATO would struggle to meet its ambitious defense commitments if its members did not reverse a long-standing decline in defense spending. They have pointed out that over the past decade fewer than five allies have consistently met the alliance's goal of spending 2% of gross domestic product (GDP) on defense. In Wales in 2014, allied leaders pledged to "halt any decline in defence expenditure" and to "aim to move towards the 2% guideline within a decade." They also committed to aim to meet an existing NATO target to devote 20% of defense expenditures to purchasing new equipment and related research and development.[24] Some analysts argue that this target may be just as, if not more, important than the 2% target. They point out, for example, that an ally spending less than 2% of GDP on defense could have more modern and effective military capabilities than an ally that meets the 2% target but devotes more than 70% of its defense spending to personnel costs and allocates very little funding to procurement and modernization initiatives.[25]

Defense spending, improving military capabilities and burden-sharing have long been contentious issues in the alliance. Total annual defense spending by NATO allies has decreased steadily since the global economic downturn in 2008. However, NATO and U.S. officials say they are encouraged by signs that many NATO members have taken steps to reverse these declines since the Wales summit. Whereas total defense spending in the alliance declined by an average of 2% annually between 2009 and 2014, total defense spending in 2015 declined by only 0.3% compared to 2014 spending levels. According to NATO estimates, in 2015, 19 allies either increased or kept steady defense spending in 2015.[26] From 2014 to 2015, the number of allies meeting NATO's 2% defense spending target increased from three to five.[27] In 2015, eight allies

unable to resolve the issue during talks sponsored by the United Nations. The United States recognizes the country as the Republic of Macedonia. Due to Greek objections, the EU and NATO refer to the country as the Former Yugoslav Republic of Macedonia (FYROM).

[24] NATO, *Wales Summit Declaration*, September 5, 2014. These pledges were widely viewed as falling well short of the more immediate, binding commitments reportedly sought by NATO and U.S. officials. See, for example, Sam Jones, "NATO Leaders Fail to Agree Targets for Raising Expenditure," *Financial Times*, September 5, 2014.

[25] See, for example, James Hasik, *Is NATO's 2% of GDP a Relevant Target?* Atlantic Council, September 8, 2014.

[26] NATO, *The Secretary General's Annual Report 2015*, January 2016, pg. 27.

[27] The five allies that met the 2% of GDP target in 2015 are Estonia, Greece, Poland, the UK, and the United States.

met the NATO guideline to spend 20% of defense budgets on new equipment and defense modernization and 23 allies spent more on equipment than they had the previous year.[28]

Testifying before the Senate Armed Services Committee in March 2016, NATO's top military commander at the time, U.S. General Philip Breedlove, estimated that about seven NATO allies currently have credible plans in place to reach the 2% of GDP defense spending target in a "realistic amount of time."[29] Pointing to the limited absorption capacity of some defense ministries in smaller NATO member states, some analysts contend that it could be more effective for these governments to increase defense spending in smaller increments over a longer time period than to substantially increase spending from one year to the next.

Despite the aforementioned gains, most analysts do not expect European allies to substantially increase defense spending over the short to medium term. A number of factors drive this reluctance, including significant fiscal challenges facing many governments and broad public skepticism of military action, particularly in Western Europe. According to a poll released in June 2015 by the Pew Research Center, a majority of citizens in three major European NATO member states—France, Germany, and Italy—believe that their countries *should not* use military force to defend a NATO ally that is involved in a serious military conflict with Russia.[30]

In light of these realities, NATO and U.S. leaders have called for more progress on existing allied defense cooperation initiatives, including the joint acquisition of shared capabilities, aimed at stretching existing defense resources. Analysts argue that the European defense industry remains fractured and compartmentalized along national lines; many believe that European defense efforts would benefit from a more cooperative consolidation of defense-industrial production and procurement. Progress on this front has been limited, however, with critics charging that national governments often remain more committed to protecting domestic constituencies than making substantive progress in joint capabilities development.[31]

U.S. Policy

U.S. policy at NATO is driven by two main priorities—maintaining strong U.S. leadership and encouraging other allies to take on more responsibility. Accordingly, since the onset of the Ukraine crisis, the Obama Administration has repeatedly sought to reassure European allies, particularly in Eastern Europe, that the United States remains fully prepared, capable, and willing to honor its collective defense commitments in Europe (discussed below). At the same time, the United States has emphasized the importance of moving toward a more equitable and sustainable sharing of the defense burden within the alliance.

The U.S. focus on encouraging European allies to take on a greater leadership role in NATO operations has been the target of criticism from some allies and analysts who argue that the United States could and should do more to lead NATO and particularly its response to Russian aggression. On the other hand, as discussed above, some allies argue that NATO and the United States should not be involved in European counterterrorism efforts or efforts to counter illegal migration flows in the Mediterranean Sea.

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[28] NATO, *Defence Expenditures of NATO Countries (2008-2015)*, January 28, 2016.

[29] General Philip Breedlove, Testimony before the Senate Armed Services Committee, March 1, 2106.

[30] Katie Simmons, Bruce Stokes, and Jacob Poushter, "NATO Publics Blame Russia for Ukrainian Crisis, but Reluctant to Provide Military Aid," Pew Research Center, June 10, 2015.

[31] See, for example, Thomas Enders and Wolfgang Ischinger, "The Capability Gap," Munich Security Conference – *monthly discussion*, May 2013, at http://www.securityconference.de/en/discussion/monthly-mind/single-view/article/monthly-mind-may-2013-the-capability-gap/.

In line with broader U.S. policy toward NATO, in Warsaw, the Obama Administration sought to secure commitments from a broad group of allies to sustain NATO collective defense initiatives launched since 2014 and to implement new forward deployments in Eastern Europe. President Obama also stressed the importance of the defense spending and capabilities development commitments made at the Wales summit in 2014. In addition, U.S. officials continued to advocate for increased allied involvement in countering security threats from the MENA region.

Operation Atlantic Resolve and the European Reassurance Initiative

The United States has been a key architect of and contributor to NATO's reassurance and collective defense initiatives, and it has sought to adjust U.S. force posture in Europe in response to Russian actions. The enhanced U.S. military presence in Eastern Europe—dubbed Operation Atlantic Resolve (OAR)—has primarily consisted of increased rotational deployments of air, ground, and naval assets and a significant increase in military exercises.[32] The Administration has not, however, proposed increasing the United States' permanent troop presence in Europe (about 67,000 troops, including two U.S. Army Brigade Combat Teams, or BCTs). Instead, the Administration is now focused on ensuring that U.S. forces are rotated into theater without any gaps between deployments, a concept that the Pentagon calls "heel to toe" rotations. This includes continued rotation of a third BCT, based in the United States.

According to U.S. European Command, under current plans, by the end of 2017, "there will be a continuous presence of three fully equipped Army Brigade Combat Teams (one Armored, one Airborne, one Stryker) [in Europe]; one prepositioned set of combat-ready equipment sufficient to support another Armored Brigade Combat Team; as well as division-level enablers in Europe."[33]

To fund the increased U.S. military activities under Operation Atlantic Resolve, in 2015, the Administration requested, and Congress appropriated, about $1 billion for a new European Reassurance Initiative (ERI) in the Department of Defense's (DOD's) Overseas Contingency Operations account.[34] The ERI aims to enhance U.S. military activities in five areas: (1) increased military presence in Europe; (2) additional bilateral and multilateral exercises and training with allies and partners; (3) improved infrastructure to allow greater responsiveness; (4) enhanced prepositioning of U.S. equipment; and (5) intensified efforts to build partner capacity for newer NATO members and other partners. In FY2016, the Pentagon requested, and received, $789.3 million for ERI. Among other things, ERI has thus far included a rotational deployment of 600 troops in Poland and the Baltic states from mid-2014 to early 2015 and the forward deployment of heavy armor, including tanks, to outfit an additional U.S.-based BCT rotating through Europe for training and exercises.

In its proposed budget for FY2017, the Administration requested a fourfold increase in funding for the ERI, primarily to enable "a quicker and more robust response in support of NATO's

[32] For details on Operation Atlantic Resolve (OAR), see the Department of Defense's OAR website at http://www.defense.gov/home/features/2014/0514_atlanticresolve/.

[33] U.S. Mission to the North Atlantic Treaty Organization, "EUCOM Announces European Reassurance Initiative Implementation Plan," March 30, 2016.

[34] In the December 2014 Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235), Congress appropriated $810 million in Overseas Contingency Operations funds for the European Reassurance Initiative (EIR) for 2015. This appropriation was augmented by an "ERI Transfer Fund" of $175 million, resulting in total ERI funding of $985 million.

common defense."[35] The bulk of the requested $3.4 billion would be devoted to increasing the size and frequency of U.S. troop rotations and to prepositioning equipment to outfit rotating forces.[36] As noted above, this would include implementing continuous "heel to toe" rotations of a BCT to supplement the two BCTs permanently stationed in Europe (in Germany and Italy) and transporting and prepositioning additional heavy armored equipment. Although the bulk of prepositioned U.S. heavy armor is now in Germany and elsewhere in Western Europe, DOD has begun to preposition other equipment in Bulgaria, Estonia, Latvia, Lithuania, Poland, and Romania.[37] Russian officials have said they would view the permanent deployment of U.S. heavy armor in the region as a serious provocation.

The ERI has enabled the Administration to prolong and enhance U.S. military activities in Europe taken in the aftermath of Russia's annexation of Crimea. Although the ERI has been welcomed in the region, it falls short of the permanent basing of U.S. and NATO forces called for by some European leaders and some Members of Congress. Critics caution that contributions to the ERI from other NATO members could be essential, both to enable a sustained response and to demonstrate allied unity. Some question the extent of European allies' commitment given continued strains on European defense budgets. In addition, some analysts express concern about an apparently growing U.S. reliance on rotational deployments to augment force presence. They argue, for example, that "rotations cannot match the force-multiplying effect and interoperability achieved through permanently stationed forces."[38]

The Administration, by contrast, maintains that rotational forces have unique advantages over permanently stationed forces, particularly with respect to promulgating critical skills across the force. For example, rotating forces allows the U.S. military to practice rapid deployment from the United States, an important skill for expeditionary operations. Further, the rotation of different units allows a broader swathe of U.S. forces to become familiar with the unique security dynamics of the European theater than would be possible if forces were permanently stationed.

Assessment and Considerations for Congress

Before Russia's 2014 annexation of Crimea, NATO was expected to seek to outline a new, and perhaps more modest, set of priorities for an alliance moving on from a taxing decade of war in Afghanistan. To many analysts, the end of the Afghanistan mission would represent the next step in NATO's post-Cold War evolution from a regional defense organization focused exclusively on deterring the Soviet Union to an alliance confronting an array of complex security challenges across the globe. However, Russia's ongoing intervention in Ukraine has led NATO to question one of the key premises on which NATO's transformation has been based—that Russia no longer

[35] The White House, *Fact Sheet: The FY2017 European Reassurance Initiative Budget Request*, February 2, 2017.

[36] Administration officials currently believe that future ERI requests will return to levels more approximate to FY2015 and FY2016, assuming security conditions in Europe remain relatively stable. For more details on the FY2017 ERI budget request, see Department of Defense, Office of the Comptroller, "European Reassurance Initiative: Department of Defense Budget FY2017," at http://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2017/FY2017_ERI_J-Book.pdf.

[37] While some allies would like for more U.S. heavy armor to be prepositioned in Eastern Europe, Administration officials maintain that doing so could be logistically encumbering, if not counterproductive; infrastructures in Western Europe are more readily available to accommodate an influx of U.S. equipment (constructing facilities in other countries would, by one estimate, take years), and prepositioned equipment in Eastern Europe could be more vulnerable in a crisis.

[38] Marik String, "NATO Unleashed: Stopping Russia In Its Tracks," *The National Interest*, March 9, 2015.

poses a significant security threat to the alliance. Accordingly, the alliance has now pursued a renewed focus on strengthening territorial defense in Europe and deterring Russia.

Since 2014, the alliance has implemented a slate of collective defense measures intended to deter further Russian aggression. However, the allies have not come to agreement on managing NATO's relations with Russia over the medium to long term. Furthermore, NATO members continue to disagree on the appropriate allied response to growing instability in the MENA region. The lack of consensus on these questions could have significant implications for NATO's future. Key areas of concern include member state decisions on the kinds of military capabilities to develop, the direction of NATO defense planning and overall force posture, and NATO's willingness and capacity to address other security threats. Evolving allied perceptions of the longer-term threat posed by Russia are also likely to be a key factor in U.S. decisions on future force posture in Europe.

Members of Congress have expressed deep concern over Russian aggression in Ukraine, with many calling for a robust NATO and U.S. military response and others advocating stronger European contributions to collective defense measures in Europe. Congressional consideration of the ERI and other proposed Administration responses to the crisis in Ukraine could enable further examination of U.S. force posture in Europe and the U.S. capacity and willingness to uphold its collective defense commitments. Deliberations could also highlight longer-standing concerns about European contributions to NATO security and defense measures. In the wake of recent terrorist attacks in NATO member states perpetrated by individuals affiliated with or inspired by the Islamic State terrorist organization, some Members of Congress have also called on NATO to play a more proactive role in countering terrorism.[39]

In light of these considerations, Members of Congress could focus on several key questions regarding NATO's future. These might include the following:

- Addressing whether the alliance should adopt a new strategic concept that better reflects views of the security threat posed by Russia (NATO's current strategic concept was adopted in 2010);
- Examining NATO's capacity and willingness to address other security threats to the Euro-Atlantic region, including from the Middle East and North Africa;
- Assessing the possible consequences of member states' failure to meet agreed defense-spending and capabilities-development targets;
- Assessing U.S. force posture in Europe and the U.S. role in NATO, especially with respect to addressing evolving security threats to the east and south; and
- Revisiting the allies' commitment to NATO's stated "open door" policy on enlargement and its relations with partner countries such as Ukraine and Georgia.

[39] See, for example, the following proposed legislation in the 114th Congress: H.Res. 525, Urging the Administration to Work with North Atlantic Treaty Organization Member States to Invoke Article 5 of the North Atlantic Treaty in Response to the Paris Attacks; and H.Amdt. 511 to H.R. 2596 (Intelligence Authorization for FY2016) on intelligence sharing on foreign fighters with EU and NATO member states.

Appendix. Allied Defense Spending Figures

Table 1. Defense Spending in NATO Member States

	Overall Defense Spending as % of GDP, 2015	Overall Defense Spending as % of GDP, 2016[a]	Total Defense Expenditures, 2016[a] (current prices)
Albania	1.16	1.21	$144 million
Belgium	0.91	0.85	$4 billion
Bulgaria	1.29	1.35	$663 million
Canada	0.99	0.99	$15.4 billion
Croatia	1.37	1.23	$607 million
Czech Republic	1.06	1.04	$1.9 billion
Denmark	1.14	1.17	$3.5 billion
Estonia	2.07	2.16	$497 million
France	1.80	1.78	$43.6 billion
Germany	1.19	1.19	$40.7 billion
Greece	2.38	2.38	$4.5 billion
Hungary	0.94	1.01	$1.2 billion
Italy	1.02	1.11	$21.9 billion
Latvia	1.04	1.45	$400 million
Lithuania	1.14	1.49	$630 million
Luxembourg	0.43	0.44	$263 million
Netherlands	1.16	1.17	$9 billion
Norway	1.47	1.54	$5.9 billion
Poland	2.23	2.00	$9.3 billion
Portugal	1.32	1.38	$2.8 billion
Romania	1.45	1.48	$2.8 billion
Slovak Republic	1.14	1.16	$1 billion
Slovenia	0.94	0.94	$400 million
Spain	0.92	0.91	$11.1 billion
Turkey	1.67	1.56	$11.6 billion
United Kingdom	2.09	2.21	$60.3 billion
United States	3.62	3.61	$664 billion

Source: NATO, *Defence Expenditures of NATO Countries (2009-2016)*, July 4, 2016.

Notes: GDP = gross domestic product. Figures based on NATO definition of defense expenditures; defense expenditures used in first column do not include pensions; equipment expenditures include spending on and research and development devoted to major equipment; personnel expenditures include military and civilian personnel expenditures and pensions.

a. Figures for 2016 are NATO estimates.

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